

**A COUNTRY-SPECIFIC ECONOMIC  
STRUCTURAL ADJUSTMENT  
PROGRAMME MODEL FOR THE  
AGRICULTURAL SECTOR:  
A CASE STUDY OF ZIMBABWE**

**Douglas Ncube**



## Thesis Redaction Requirements

**Thesis Title:** A country specific economic structural adjustment programme model for the agricultural sector

**Author:** Douglas Ncube

**Date:** 2008

**Please redact the following / features aspects of this thesis:**

**Whole pages**

**Part pages**

**Chapters**

**Images /Captions**

Redact map figure 3.4 Caption may be left

**Other**

**Copyright Officer**

(signed) \_\_\_\_\_ Date 1/12/11

Pp Tom Rawick

For queries please contact Interlending: University of Derby 01332 591204



## DEDICATION

**This work is dedicated first and foremost to my Father and Mother for their painful struggle, financially, to educate me through thick and thin. Most importantly for all the love and opportunities given. Last but not least to my wife Gloria and my three children, Brian David, Terence Tawanda and Paidamoyo Samantha, for supporting me morally during the time of this work.**

***This is what the Lord said to human kind: “However, there need be no poor people among you, for in the land the Lord your God is giving you to possess as your inheritance, he will richly bless you, if only you fully obey the Lord your God and are careful to follow all these commands I am giving you today.” Deuteronomy 15:4-5.***

## **Abstract**

Traditionally, agriculture has been one of the mainstays of Sub-Saharan African (SSA) economies and plays a pivotal and vital role in economic activity and development (Westlake, 1994). Africa has been a net importer of foodstuffs over the last thirty years (Smith, 1999). This led the donor community to spotlight the agricultural sector as an area where reforms were badly needed. Since the 1970s the International Monetary Fund (IMF) and World Bank (WB) have driven Economic Structural Adjustment Programmes (ESAP) in SSA with varying degrees of success (FAO, 1988). Zimbabwe's independence, in 1980, coincided with the start of the first decade of structural adjustment in SSA. The literature review established that to date ESAP has had limited success in Zimbabwe and the rest of SSA (six SSA countries were studied as part of literature review in this thesis, that is, Ghana, Kenya, Republic of Cote d'Ivoire, Uganda, Zaire and Zambia). Three scenarios emerged, that is, (a) the SSA governments were not diligent and committed enough to make structural adjustment programmes worthwhile, (b) the standard IMF/WB model was not appropriate and (c) if (a) and (b) were not addressed and rectified SSA will soon have an increase in poverty and tremendous food shortages.

The research aims and objectives were:

- 1) To critically analyse literature on donor community ESAP models specifically relating to agricultural operations in SSA and to Zimbabwe in particular. The combination of literature review and preliminary research resulted in the construction of the ALPHA MODEL.
- 2) To undertake a comprehensive review and evaluation in order to assess the strategic and operational results of ESAP models described in 1) above and applied to Zimbabwe's agricultural sector.
- 3) On the basis of the analysis in 2) to propose a more effective Zimbabwean-specific model (BETA model) for use in agricultural reform operations, but given similar or like instances it could be transferred to other countries in SSA.

Due to the Naturalistic Inquiry nature of the research the following research stances were adopted, that is, (a) Qualitative Naturalistic Inquiry and (b) Postpositivist Paradigm. The methods used were (a) The Inductive Approach, (b) Case Study Strategy and (c) for analysis the Content Analysis was deemed suitable.

Data was collected in Zimbabwe by finding out what people knew and felt by observing, interviewing and analysing documents. The respondents included academics, agricultural companies, resettlement, large scale, small scale and communal farmers and the Bretton Woods institutions. Data collection via interviews was divided into two phases. The first phase established the efficiency of the current ESAP model (alpha) on the agricultural sector in Zimbabwe. The results were negative. ESAP failed to address the need for improved agricultural and technological infrastructure and failed to mobilise the

enthusiasms, support and creative abilities of the people and grass-roots organisations. The second phase drawn from the framework established in the first phase was carried out to confirm the findings and results derived from the first phase interviews. Gaps which emerged from the first phase were filled-in during the second phase.

The thesis proposes an effective Zimbabwean-specific model for use in the agricultural reform operations which must include the following features:

- ❖ A broad framework and not a standard programme to be applied uniformly in all countries.
- ❖ Concepts of the model must be viable and relevant to the present Zimbabwean and African situations.
- ❖ For the framework to be effectively operational it must, right at its conception and formulation, involve all the people at all levels.

It has become obvious that the IMF/WB and SSA governments are increasingly seeing the necessity of an alternative. This was evidenced by the hosting by the United Nations, of the Johannesburg Conference in 2002 and subsequent conferences.

The proposed alternative to ESAPs has been designed to address the questions (i) “to what should SSA countries be adjusting?” (ii) “what should SSA countries adjust?” (iii) “how to adjust?” and (iv) “adjustment for whom and by whom?”



## **ACKNOWLEDGEMENTS**

I would like to thank my supervisor, Professor Steve Carter, at the University of Derby for the assistance and for his abundant patience and perseverance. Also special thanks to Dr. Barbara Dexter and Mr. William Murphy at the University of Derby for all the encouragement and positive feedback and criticism given. Sincere thanks to Rosebud Gusha and Clemio Machingaifa for their assistance as gatekeepers for the two fieldworks.

## ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
AMA	Agricultural Marketing Authority
ARDA	Agricultural Rural Development Authority
AREX	Agricultural Research and Extension Department
CAADP	Comprehensive African Agricultural Development Programme
CAMPFIRE	Communal Areas Management Programme for Indigenous Resources
CFAF	Communaute Financiere Africaine Franc
CMB	Cotton Marketing Board
COMESA	Common Market for Eastern and Southern Africa
CONEX	Department of Conservation and Extension
CSC	Cold Storage Commission
CSO	Central Statistics Office
COTTCO	Cotton Company of Zimbabwe
DDF	District Development Fund
DMB	Dairy Marketing Board
DRC	Democratic Republic of Congo
EAC	East Africa Community
ECOWAS	Economic Community of West African States
EFF	Extended Fund Facility
EPZ	Export Processing Zone
ERP	Economic Recovery Programme
ERS	Export Retention Scheme
ESAF	Enhanced Structural Adjustment Facility
ESAP	Economic Structural Adjustment Programme
ESF	Export Support Facility
EU	European Union
FAO	Food and Agricultural Organisation

<b>GATT</b>	<b>General Agreement of Trade and Tariffs</b>
<b>GDP</b>	<b>Gross Domestic Product</b>
<b>GM</b>	<b>Genetically Modified</b>
<b>GMB</b>	<b>Grain Marketing Board</b>
<b>GNP</b>	<b>Gross National Product</b>
<b>G-7</b>	<b>Group of Seven</b>
<b>IBRD</b>	<b>International Bank for Reconstruction and Development</b>
<b>ICSID</b>	<b>International Centre for Settlement of Investment Disputes</b>
<b>IDA</b>	<b>International Development Association</b>
<b>IFC</b>	<b>International Finance Corporation</b>
<b>IFI</b>	<b>International Financial Institutions</b>
<b>ILO</b>	<b>International Labour Organisation</b>
<b>IMF</b>	<b>International Monetary Fund</b>
<b>LSCS</b>	<b>Large Scale Commercial Sector</b>
<b>HIV</b>	<b>Human Immuno-deficiency Virus</b>
<b>MFA</b>	<b>Multi Fibre Arrangement</b>
<b>MIGA</b>	<b>Multilateral Investment Guarantee</b>
<b>MLARR</b>	<b>Ministry of Lands, Agriculture and Rural Development</b>
<b>MMD</b>	<b>Movement for Multi-party Democracy</b>
<b>NCPB</b>	<b>National Cereals and Produce Board</b>
<b>NGO</b>	<b>Non Government Organisation</b>
<b>NLC</b>	<b>National Liberation Council</b>
<b>NR</b>	<b>Natural Region</b>
<b>NRC</b>	<b>National Redemption Council</b>
<b>OECD</b>	<b>Organisation for Economic Co-operation and Development</b>
<b>OED</b>	<b>Operations Evaluation Department</b>
<b>OGIL</b>	<b>Open General Import Licence</b>
<b>PNDC</b>	<b>Provisional National Defence Council</b>
<b>PRGF</b>	<b>Poverty Reduction and Growth Facility</b>
<b>PRSC</b>	<b>Poverty Reduction Support Credits</b>
<b>RCI</b>	<b>Republic of Cote d'Ivoire</b>

<b>RNFU</b>	<b>Rhodesia National Farmers Union</b>
<b>SAA</b>	<b>Sub-Saharan Africa</b>
<b>SAP</b>	<b>Structural Adjustment Programme</b>
<b>SADC</b>	<b>Southern Africa Development Conference</b>
<b>SBA</b>	<b>Stand By Agreements</b>
<b>SFYDP</b>	<b>Second Five-Year Development Plan</b>
<b>SNDP</b>	<b>Second National Development Plan</b>
<b>SSCS</b>	<b>Small Scale Commercial Sector</b>
<b>TTL</b>	<b>Tribal Trust Land</b>
<b>UDI</b>	<b>Unilateral Declaration of Independence</b>
<b>UN</b>	<b>United Nations</b>
<b>UNIP</b>	<b>United National Independence Party</b>
<b>USA</b>	<b>United States of America</b>
<b>WB</b>	<b>World Bank</b>
<b>WTO</b>	<b>World Trade Organisation</b>
<b>ZANU-PF</b>	<b>Zimbabwe African National Union Patriotic Front</b>
<b>ZCTU</b>	<b>Zimbabwe Congress of Trade Unions</b>
<b>ZFU</b>	<b>Zimbabwe Farmers' Union</b>
<b>ZIMACE</b>	<b>Zimbabwe Commodity Exchange</b>
<b>ZIMCORD</b>	<b>Zimbabwe Conference on Reconstruction and Development</b>
<b>ZIMPREST</b>	<b>Zimbabwe Programme for Economic Social Transformation</b>
<b>ZISCO</b>	<b>Zimbabwe Iron and Steel Company</b>
<b>ZTA</b>	<b>Zimbabwe Tobacco Association.</b>

# **TABLE OF CONTENTS**

<b>DEDICATION</b>	<b>i</b>
<b>ABSTRACT</b>	<b>ii</b>
<b>ACKNOWLEDGEMENT</b>	<b>iv</b>
<b>ABBREVIATIONS</b>	<b>v</b>
<b>LIST OF FIGURES</b>	<b>xv</b>
<b>LIST OF TABLES</b>	<b>xv</b>
<b>CHAPTER ONE: Introduction and Research Objectives</b>	<b>1</b>
1.0 Introduction	2
1.1 Background of the Study	4
1.2 Research Objectives	7
1.3 Time Frame	7
1.4 The Overview of the Thesis	10
1.5 Chapter Summary	13
<b>CHAPTER TWO: Literature Review</b>	<b>14</b>
2.0 Introduction	15
2.1 Sequence of Research	15
2.2 Literature Review/Search	17
2.2.1 Literature Review Divisions	18
2.3 Theory of Structuralism	19
2.4 Development Theory	21
2.5 The International Monetary Fund and World Bank	23



2.5.1	The International Monetary Fund	24
2.5.1.1	Purposes (Articles of Agreement of the IMF Article 1 July 1944)	24
2.5.1.2	Overall Lending (IMF March 2001)	26
2.5.1.3	Political Power and Loan Conditions (IMF, April 2002)	27
2.5.1.4	IMF Monetary Model	28
2.5.1.5	The Model Over Time	30
2.5.2	The World Bank	30
<b>2.6</b>	<b>Structural Adjustment: Origins and Underlying Forces</b>	<b>32</b>
<b>2.7</b>	<b>Broadening of Conditionality</b>	<b>36</b>
<b>2.8</b>	<b>Technical Assistance</b>	<b>37</b>
<b>2.9</b>	<b>The IMF/WB's Perspective</b>	<b>38</b>
2.9.1	Macroeconomic Policy	38
2.9.2	Structural Policy	38
2.9.3	Social policy	39
2.9.4	Good governance and Participatory Development	39
<b>2.10</b>	<b>Why Do Structural Adjustment Programmes Work In Some African Countries and Not In Others</b>	<b>40</b>
<b>2.11</b>	<b>Six Sub-Saharan African Countries</b>	<b>45</b>
<b>2.11.1</b>	<b>GHANA</b>	<b>48</b>
2.11.1.2	Lessons for Zimbabwe	53
<b>2.11.2</b>	<b>UGANDA</b>	<b>53</b>
2.11.2.1	Economic Policy over the Period 1980-1985	55
2.11.2.2	Economic Policy over the Period 1986-1998	55
2.11.2.3	Lessons for Zimbabwe	58
<b>2.11.3</b>	<b>REPUBLIC OF COTE d'IVOIRE</b>	<b>58</b>
2.11.3.1	The History of the RCI's Economic Performance	60
2.11.3.2	Lessons for Zimbabwe	62
<b>2.11.4</b>	<b>KENYA</b>	<b>63</b>
2.11.4.1	Road to Structural Adjustment	63
2.11.4.2	Agricultural Pricing and Marketing	65
2.11.4.3	Lessons for Zimbabwe	66

<b>2.11.5 ZAMBIA</b>	<b>66</b>
2.11.5.1 Zambia's Structural Adjustment Venture	67
2.11.5.2 Lack of Ownership of the Reform Programmes	69
2.11.5.3 Change of Government	70
2.11.5.4 Lessons for Zimbabwe	71
<b>2.11.6 Democratic Republic of Congo (Zaire)</b>	<b>71</b>
2.11.6.1 The Political Dimension of Reform	74
2.11.6.2 Lessons for Zimbabwe	75
<b>2.12 ZIMBABWE</b>	<b>75</b>
2.12.1 1975-1980 Pre-Independence Era	76
2.12.2 1980-1990 The First 10 Years of Independence (Control Regime)	80
2.12.2.1 Marketing	81
2.12.2.2 Economic Growth	83
2.12.3 1991-1999 Second 10 Years of Independence	85
2.12.3.1 Phase I (ESAP) 1991-1995	86
2.12.3.2 Phase II (ZIMPREST) 1996-2000	88
2.12.4 Agricultural Policy in the Reform Periods	89
2.12.5 Liberalisation of Agricultural Exports	90
2.12.6 Conclusion	94
<b>2.13 Selected Economic and Financial Indicators</b>	<b>96</b>
<b>2.14 Recent Development Reports in the Literature</b>	<b>97</b>
<b>2.15 Conclusions of the Literature Review</b>	<b>99</b>
<b>CHAPTER THREE: The Research Process</b>	<b>102</b>
<b>3.0 Introduction</b>	<b>103</b>
<b>3.1 Research Philosophy</b>	<b>103</b>
3.1.1 Ontology	103
3.1.2 Epistemology	108
3.1.3 Nature of the Inquiry	109
3.1.4 Overview of Qualitative Research	110
3.1.5 Characteristics of Qualitative Research	111

3.1.6	Assessing the Quality of Qualitative Research	112
3.1.7	Pitfalls in Qualitative Research	114
<b>3.2</b>	<b>Research Approaches</b>	<b>115</b>
3.2.1	Deductive and Inductive Approaches	116
<b>3.3</b>	<b>Research Strategy</b>	<b>120</b>
3.3.1	Case Study	120
3.3.1.1	Advantages of the Case Study Strategy	122
3.3.1.2	Disadvantages of the Case Study Strategy	123
3.3.1.3	Trustworthiness of the Case Study Strategy	124
<b>3.4</b>	<b>Data Collection Methods</b>	<b>127</b>
3.4.1	Interviews	128
3.4.1.1	Recording the Data	130
3.4.2	Sampling	133
3.4.2.1	Purposeful Sampling	133
3.4.2.2	Sample Size	133
3.4.3	Triangulation	134
<b>3.5</b>	<b>Reporting Qualitative Data</b>	<b>135</b>
<b>3.6</b>	<b>The Checklist</b>	<b>136</b>
<b>3.7</b>	<b>Content Analysis</b>	<b>137</b>
<b>3.8</b>	<b>Patterns and Themes</b>	<b>139</b>
<b>3.9</b>	<b>Coding and Classifying</b>	<b>141</b>
<b>3.10</b>	<b>Permission</b>	<b>143</b>
<b>3.11</b>	<b>Ethics</b>	<b>145</b>
<b>3.12</b>	<b>Access</b>	<b>149</b>
<b>3.13</b>	<b>Description of Respondents</b>	<b>152</b>
3.13.1	Communal Farmers	152
3.13.2	Resettlement Farmers	154
3.13.3	Small Scale Commercial Farmers	156
3.13.4	Large Scale Commercial Farmers	157
3.13.5	Agricultural Companies	158
3.13.6	Academics	158

3.13.7 IMF/WB Representatives	159
<b>3.14 Agro-ecological Regions (Natural Regions)</b>	<b>159</b>
<b>3.15 Sample Profile</b>	<b>161</b>
3.15.1 Selection Guidelines	165
<b>3.16 Structure of the Questions</b>	<b>166</b>
3.16.1 Purpose of Study	168
3.16.1.1 IMF/WB Objectives Category	168
3.16.1.2 Findings Category	169
3.16.1.3 Indicators Category	173
3.16.1.4 Gaps Category	173
3.16.2 Check Questions	174
<b>3.17 The Interviews</b>	<b>174</b>
<b>3.18 In the Field</b>	<b>176</b>
<b>3.19 Data Analysis: Field Work</b>	<b>178</b>
<b>3.20 Reliability, Validity and Reflexivity</b>	<b>179</b>
<b>3.21 Conclusion</b>	<b>182</b>
<b>CHAPTER FOUR: Data Analysis</b>	<b>184</b>
<b>4.0 Introduction</b>	<b>185</b>
<b>4.1 Research Findings – Communal, Resettlement and Small Scale Farmers</b>	<b>186</b>
<b>4.2 Research Findings – Large Scale Farmers</b>	<b>203</b>
<b>4.3 Research Findings – Academic Interview</b>	<b>210</b>
<b>4.4 Research Findings – IMF/WB Interview</b>	<b>216</b>
<b>4.5 Research Findings – Agricultural Companies</b>	<b>225</b>
<b>4.6 Conclusion of the First Phase Fieldwork</b>	<b>231</b>
<b>4.7 Introduction to Second Phase Fieldwork Analysis</b>	<b>233</b>
4.7.1 Rationale of Second Phase Fieldwork	233
<b>4.8 Structure of Questions</b>	<b>235</b>
4.8.1 Outline of Issues Included in the Agricultural Companies' Questions	235
4.8.2 Outline of issues Included in the Large Scale Farmers' Questions	236



4.8.3	Outline of Issues Included in the Small Scale Farmers' Questions	236
4.8.4	Outline of Issues Included in the Transporters' Questions	237
4.9	Data Analysis of Second Fieldwork	237
4.10	Research Findings – Agricultural Companies	237
4.11	Research Findings – Large Scale Farmers	247
4.12	Research Findings – Small Scale Farmers	253
4.13	Research Findings – Transporters	259
4.14	Summary	262
 <b>CHAPTER FIVE: Proposed ESAP Model</b>		<b>264</b>
5.0	Introduction	265
5.1	Justification for the Alternative ESAP Model	266
5.2	The Proposed ESAP Model (The Beta Model)	271
5.2.1	Characteristics of the Proposed Model	278
5.2.2	Critical Focus of the New Model for Adjustment	282
5.2.3	Policy Directions	285
5.2.4	Issues to be Modified and Avoided in the New Strategy of ESAP	290
5.2.5	The Desirable Policy Characteristics	291
5.3	Implementation of the Alternative Strategies	300
5.4	Implementation at National Level	301
5.5	Implementation at Sub-regional and International Levels	302
5.6	Financing the Alternative ESAP	303
5.7	Monitoring Strategy	304
5.8	International Support	305
5.9	FINALE	305
5.10	Conclusion	306
 <b>CHAPTER SIX: Conclusions and Recommendations</b>		<b>307</b>
6.0	Introduction	308

<b>6.1</b>	<b>IMF, WB and SAPs</b>	<b>308</b>
<b>6.2</b>	<b>The Selected Six SSA Countries</b>	<b>313</b>
<b>6.3</b>	<b>Zimbabwe</b>	<b>315</b>
<b>6.4</b>	<b>First and Second Fieldwork</b>	<b>316</b>
<b>6.5</b>	<b>Recommendations</b>	<b>318</b>
6.5.1	Agricultural Research	320
6.5.2	Agricultural Extension	320
6.5.3	Farm Inputs	321
6.5.4	Infrastructure	321
6.5.5	Irrigation and Water Management	321
6.5.6	Farmers' Associations	322
<b>6.6</b>	<b>Contribution to Knowledge</b>	<b>322</b>
6.6.1	Proposition of the Alternative Model	323
6.6.2	Agricultural Research and Extension	323
6.6.3	Collateral	324
6.6.4	People	324
<b>6.7</b>	<b>Suggested Areas for Further Study</b>	<b>324</b>
<b>6.8</b>	<b>Reflections</b>	<b>326</b>
<b>6.9</b>	<b>Concluding Remarks</b>	<b>327</b>

<b>REFERENCES</b>	<b>330-355</b>
-------------------	----------------

<b>APPENDICES</b>	<b>356</b>
-------------------	------------

<b>Appendix 1</b>	<b>IMF Monetary Model</b>	<b>I</b>
<b>Appendix 2</b>	<b>Research Group Descriptions</b>	<b>II</b>
<b>Appendix 3</b>	<b>Check Questions for the First Phase Fieldwork</b>	<b>VII</b>
<b>Appendix 4</b>	<b>Interview Schedule and Summary</b>	<b>XV</b>
<b>Appendix 5</b>	<b>Transcript of Communal Farmer Interview</b>	<b>XIX</b>
<b>Appendix 6</b>	<b>Content Analysis of Small Scale Farmers</b>	<b>XXV</b>
<b>Appendix 7</b>	<b>Marshall and Rossman (1995) Twenty Questions to</b>	

	<b>Judge the Goodness of this Qualitative Research</b>	<b>XXXVII</b>
<b>Appendix 8</b>	<b>Second Phase Field work Check Questions</b>	<b>XLV</b>

## **LIST OF FIGURES**

<b>Figure 2.1</b>	<b>The Research Process</b>	<b>16</b>
<b>Figure 2.2</b>	<b>Literature Source Categories</b>	<b>17</b>
<b>Figure 2.3</b>	<b>Average Annual GDP per Capita Growth, 1965-85</b>	<b>45</b>
<b>Figure 2.4</b>	<b>GDP per Capita</b>	<b>46</b>
<b>Figure 2.5</b>	<b>Sub-Saharan Africa</b>	<b>48</b>
<b>Figure 3.1</b>	<b>An Outline of the Main Steps of qualitative Research</b>	<b>114</b>
<b>Figure 3.2</b>	<b>Natural Regions of Zimbabwe</b>	<b>161</b>
<b>Figure 3.3</b>	<b>Research Study Area</b>	<b>162</b>
<b>Figure 3.4</b>	<b>Map of Zimbabwe</b>	<b>163</b>
<b>Figure 4.1</b>	<b>A Recovery Model (Alpha) Used by SSA Countries</b>	<b>232</b>
<b>Figure 5.1</b>	<b>Sequencing of the Orthodox SAP</b>	<b>283</b>
<b>Figure 5.2</b>	<b>Sequencing of the Proposed Alternative Model</b>	<b>285</b>
<b>Figure 5.3</b>	<b>Comparisons of the Orthodox IMF/WB Model and Alternative Reform Model</b>	<b>298</b>

## **LIST OF TABLES**

<b>Table 1.1</b>	<b>Performance of Selected Highly Intensively Adjusting SSA Countries</b>	<b>4</b>
<b>Table 2.1</b>	<b>IMF and World Bank Voting Shares</b>	<b>28</b>
<b>Table 2.2</b>	<b>Inflation and growth in Uganda 1980-96</b>	<b>57</b>
<b>Table 2.3</b>	<b>Zimbabwe: GDP growth, inflation, employment, investment and Factor shares</b>	<b>83</b>
<b>Table 2.4</b>	<b>Targets</b>	<b>87</b>
<b>Table 2.5</b>	<b>Land Distribution in square kilometres</b>	<b>93</b>
<b>Table 2.6</b>	<b>Zimbabwe: Planned targets versus actual growth rates</b>	<b>94</b>

<b>Table 2.7</b>	<b>Quarterly Economic Review</b>	<b>96</b>
<b>Table 2.8</b>	<b>Zimbabwe Reform targets by 1995 (in 1990 prices)</b>	<b>96</b>
<b>Table 2.9</b>	<b>Exchange Rate: 1990-1997 US\$1.00 = Z\$</b>	<b>96</b>
<b>Table 2.10</b>	<b>Nominal Agricultural Producer Prices 1980-95</b>	<b>96</b>
<b>Table 2.11</b>	<b>Agricultural Growth</b>	<b>97</b>
<b>Table 2.12</b>	<b>Zimbabwe's Trade Liberalisation and Economic Performance</b>	<b>97</b>
<b>Table 3.1</b>	<b>Positivist and Postpositivist paradigms</b>	<b>108</b>
<b>Table 3.2</b>	<b>Deductive and Inductive Approaches</b>	<b>118</b>
<b>Table 3.3</b>	<b>Case Study Tactics Four Design Tests</b>	<b>125</b>
<b>Table 3.4</b>	<b>Techniques for Establishing Trustworthiness</b>	<b>126</b>
<b>Table 3.5</b>	<b>Tape Recording Interview Tips</b>	<b>132</b>
<b>Table 3.6</b>	<b>Distribution of Land according to Agro-ecological Regions</b>	<b>159</b>
<b>Table 3.7</b>	<b>First Phase Categories</b>	<b>164</b>
<b>Table 3.8</b>	<b>Four Criteria for Judging Validity of Qualitative Research</b>	<b>180</b>
<b>Table 4.1</b>	<b>Agricultural Operations</b>	<b>191</b>
<b>Table 4.2</b>	<b>Marketing Schedules</b>	<b>195</b>
<b>Table 4.3</b>	<b>Irrigation Development as at 1997</b>	<b>202</b>
<b>Table 4.4</b>	<b>Second Phase Categories</b>	<b>235</b>
<b>Table 5.1</b>	<b>Instruments and Measures to be Modified</b>	<b>291</b>
<b>Table 5.2a</b>	<b>Strengthening and Diversifying Production Capacity</b>	<b>292</b>
<b>Table 5.2b</b>	<b>Improving the level of income and the Pattern of its Distribution</b>	<b>294</b>
<b>Table 5.2c</b>	<b>Pattern of expenditure for the Satisfaction of Needs</b>	<b>295</b>
<b>Table 5.2d</b>	<b>Institutional Support for Adjustment with Transformation</b>	<b>296</b>



## **CHAPTER ONE**

### **INTRODUCTION AND RESEARCH OBJECTIVES**

## **Chapter One Introduction and Research Objectives**

### **1.0 Introduction.**

This chapter will discuss the background of the research, followed by the objectives of the study, then, the overview is presented. The chapter concludes with a summary.

This doctoral research thesis explores the topical issues of structural adjustment programmes (SAPs) which are affecting most of the Sub-Saharan African (SSA) countries. It looks at the social and economic impact of SAPs on SSA economies with emphasis on agricultural production and on Zimbabwe in particular. The study deals with the complex economic, social and political nature of the economic reforms that have been imposed on SSA governments by the International Monetary Fund (IMF) and the World Bank (WB). Traditionally, agriculture has been one of the mainstays of SSA economies and plays a vital role in economic activity and development (Westlake, 1994). However, it has tended to be an area which has necessitated subsidies, which have been put in place to provide, for example, farming inputs and implements, staple food, health and school fees to the rural poor at reduced rates. The area has also included government intervention in the form of price settings, production and marketing subsidies, thus distorting the 'market' situation. Despite this intervention, most of SSA has been a net importer of foodstuffs over the last thirty years (Smith, 1999). This led the donor community to spotlight the agricultural sector as an area where reforms were badly needed, as patently, government intervention was not working. SSA governments have had a reputation of diverting funds to non productive sectors, for example, military and bloated civil sector. The thesis will take a qualitative stance because it will be trying to find out what people (farmers) do, know, think and feel about SAP. This will be done by observing, interviewing and analysing documents.

The purpose of this study is to analyse the literature on SAPs Models (Frameworks) specifically relating to agricultural production and marketing strategies in SSA and to Zimbabwe in particular; to undertake a comprehensive review and evaluation in order to assess the strategic operational results of the SAPs Models (Frameworks) and applied to

Zimbabwe's agricultural sector; and finally on the basis of this analysis to propose a more effective Zimbabwe specific framework for use in agricultural reform operations and by extension of relevance to other SSA countries operating and experiencing similar agricultural economies. Indeed, if structural adjustment is to be taken seriously it ought to be viewed through the separate prisms of the several cultures that participate in contemporary regional and international systems (Chakaodza 1993). In other words, there is need to take account of critical elements from other SAA traditions besides Zimbabwe, if a system of ideas and conclusions is to lay claim to feasibility. It is therefore important that SAPs be examined in a cross-cultural framework (Mumbengegwi and Mabugu, 2002). Zimbabwe was selected as the main focus of the study because the researcher has immense experience in the agricultural production issues in Zimbabwe from the period 1973 to 2000.

Zimbabwe's Economic Structural Adjustment Programme (ESAP) launched in 1991 was meant to herald a new era of modernised, competitive export-led industrialisation (Saunders, July 1996). But despite a high-performing economy in its first decade of independence, the country appeared firmly lodged in a quagmire of mounting debt and erratic growth in the wake of ESAP-mandated reforms. Zimbabwe's post-independence macro-economic history was divided into two major policy episodes, that is, the control regime of 1980-1990 and the structural adjustment period of 1991 to 1999. This distinction was not meant to simply reflect the chronological sequence of events but it was also intended to capture fundamental changes in the macro-economic policy framework and a major shift in the development paradigm.

Zimbabwe's economic performance from 1999 to the current day was excluded from the analysis because the period has been characterised by sudden introduction of major shocks into the economy, namely, droughts, farm land invasions (which reduced agricultural production by almost 70%), removal of the rule of law, government's involvement in regional wars, for example, the war in the DRC and the subsequent hyperinflation and high interest rates caused by all these events.



## 1.1 Background of the study.

Since 1980, an increasing number of SSA countries (over thirty as of 1988) had adopted stabilisation and SAPs with the support of the IMF and WB (Adedeji, 1991). Table 1.1 shows the performance of selected nine highly intensively adjusting SSA countries.

**Table 1.1 Performance of selected highly intensively adjusting SSA countries.**

Country	Annual per capita GDP growth rate % 1980-1990	Annual GDP growth rate % 1965-80	Annual GDP growth rate % 1980-1990	Trend in poverty/inequality
Cote d'Ivoire	-3.2	6.8	0.5	Increasing rural poverty
Ghana	-0.3	1.3	3.0	Increasing rural poverty
Kenya	0.4	6.8	4.2	Increasing rural poverty
Malawi	-0.5	5.5	2.9	Increasing rural poverty
Mauritania	-1.0	2.1	1.4	Not known
Senegal	0.0	2.3	3.0	Not known
Togo	-1.8	4.3	1.6	Not known
Uganda	0.3	0.6	2.8	Declining rural poverty
Zambia	-2.8	2.0	0.8	Increasing rural poverty

Source: Rojas, R (1997). *Notes on Structural Adjustment Programmes*. The Robinson Rojas Archive

But, over time, increasing concerns started to be expressed, not only with respect to the relevance of these programmes to SSA's long-term development objectives, but also with respect to their social, economic and financial impact (Asante, 1999). The overall assessment of orthodox adjustment programmes has led to the conclusion that, although these programmes aim at restoring growth, generally through the achievement of fiscal and external balances and the free play of market forces, these objectives cannot be achieved without addressing the fundamental structural bottlenecks of SSA economies (Akwabi-Ameyaw, 1997). Consequently this research study proposes to search for an SSA alternative framework to SAPs that would address simultaneously both adjustment and structural transformation problems of the SSA economies. In order to come up with the alternative model, this thesis will study the relevant literature on SAPs embarked upon by Zimbabwe and the six selected SSA countries. Zimbabwe will be the main study case area and the six countries will be used as comparison cases.

Initially these programmes were only short-term, but they became more comprehensive and long ranged. The IMF and WB are currently enjoying an unparalleled degree of imminence as they shuttle from country to country in a frenzied exercise to make the reform programmes work (Rojas, 1997). But on the part of aid recipients, some measure of gloom and helplessness has descended, leading to further reliance on the international donor community for economic survival (Asante, 1991).

The term structural adjustment has been subject to a wide range of definitions and interpretations. Structural adjustment is nothing more than the policy adjustments needed to change the magnitude and composition of expenditures and investments to reflect changes in income levels (Bates and Collier, 1993).

The causes of Africa's economic under-performance are both external and internal (domestic) (Rojas, 1997). Externally the worsening terms of trade and oil shocks of 1973 and 1979 have been major contributing factors (Chakaodza, 1993). Although other developing regions have experienced a more severe deterioration in terms of trade, the effect/impact in Africa is worse because African countries are fragile (Mwanza 1988). Severe external debt servicing requirements, which now absorb a substantial proportion of the region's export earnings, have added to the impact of worsening terms of trade (Cornia and Helleiner, 1994). A second exogenous factor has been the frequent and intense drought or floods exacerbated by rapid population growth (Dollar and Svensson, 2000).

It is widely acknowledged that economic mismanagement has also played a major part in the sub-continent economic under performance (Ellis, 1988). Inappropriate policies, misallocation of resources and corruption have constrained performance, as has failure to adjust policies and implementation in the light of changed circumstances (Holmgren, 1998). Much of this can be attributed to inadequate capacities, both at personal and institutional levels.



In Zimbabwe, the political economy inherited from colonial regime was not only regulated and inward looking (import substituting) but also settler (white) dominated, semi-industrialised and failed to cater to the needs of the black majority (Dashwood, 2000). The new government was thus faced with a conflict between the need to redress the inherited social imbalances and the pressure from international agencies and the donor community that the government should allow market forces more freedom in the economy (Mwanza, 1999). The government, though, decided not to alter much of the inherited political economic structures.

Thus by the late 1980s the inherited structures from the colonial era were fettering the growth of the economy (Akwabi-Ameyaw, 1997). Collectively, observed Mwanza (1999), these basic structures led to a complex set of intertwined problems:

- Foreign exchange shortage
- Low levels of investment
- Large budget deficits
- Escalating debt and inflation
- High unemployment an industrial base which was not performing efficiently both for domestic and export markets
- Infrastructural decay as shown by the government's expenditure decline on and poor maintenance of roads, transport, telecommunications, dams and irrigation schemes.

As these macroeconomic imbalances became more manifest, increasing pressure was exerted on the state to go beyond the economic adjustment process which commenced in 1982 and also to liberalise the economy both internally and externally (Bautista and Thomas, 1998). In fact, the implementation of some components of the SAPs as from 1983 led to a gradual process of abandoning hard-line socialist policy to a more market oriented one assisted by the changes in Eastern Europe (the fall of the communist world).

## **1.2 Research Objectives.**

The overall aim of this thesis is to develop an alternative model to the current IMF/WB sponsored SAP. The specific objectives are:

1. To critically analyse literature on donor community SAP Models specifically relating to agricultural operations in SSA and Zimbabwe in particular.
2. To undertake a comprehensive review and evaluation in order to assess the strategic and operational results of SAP Models described above and applied to Zimbabwe's agricultural sector.
3. On the basis of the analysis so done to propose a more effective Zimbabwean-specific model for use in the agricultural reform operations.
4. To recommend on the basis of the model developed in 3, and given the qualitative nature of the research an extension to other SSA countries operating and experiencing similar agricultural economies.
5. On completion of the literature review a tentative new SAP Model (Alpha Model) would be developed. On conclusion of the primary research in Zimbabwe the Alpha Model will be tested in order to produce the new finalised SAP Model (Beta Model).

## **1.3 Time Frame**

This research concentrated on the SAP process in Zimbabwe between 1980 and 1999. However during that period questions were being asked about the current SAP Model being advocated by IMF/WB culminating in a new approach to structural adjustment, that is, sustainable development (Earth Summit 2002). Amanor (2008) defined sustainable development as:

- 1) The introduction of technical management practices for particular resources to attain a sustainable yield over a long period – the continued harvesting and replenishment of a resource.
- 2) The management and regulation of the environment – or the sum total of natural resources - by society and its organs of governance to ensure their continued existence for future generations. This involves creating management mechanisms to ensure that natural resources are not over-exploited to meet immediate, selfish



and greedy needs. This leads to the definition of sustainable development in terms of inter-generational equality – development that meets the needs of the present without compromising those of future generations, as espoused by the Brundtland Commission (World Commission on Environment and Development, 1987).

- 3) The notions of equity, that sustainable development must provide equal opportunities and access for all, and cannot be based on high living standards for a minority and poverty for the majority, or the division of the world into rich countries and poor countries. This approach argues that inter-generational equity is meaningless without generational equity, and therefore policies that are more inclusive and redistribution of resources are prerequisites for sustainable development.

However, the change to sustainable development approach, whilst mooted during the time this thesis was written did not materialise until the conclusion of this thesis. Remarkably a number of recommendations in the thesis particularly the necessity to take the “bottom up” approach have become the tenet of sustainable development approach.

The New Partnership for African Development (NEPAD) which has been adopted in SSA is a direct “descendant” of the move from structural adjustment (the “top down approach”) to sustainable development (“bottom up approach”). NEPAD is a plan to redevelop the African continent developed by and for Africans (Startup, 2005). To understand NEPAD it is imperative that one has to gain a sense of how the plan came into existence and what the ideas behind it are. Asika (2002) states that NEPAD is the culmination of the merger of the Millennium Partnership for the African Recovery Programme and the OMEGA Plan, which was finalised on the 3<sup>rd</sup> of July 2001.

The NEPAD strategic framework document arises from a mandate given to the five initiating Heads of State (Algeria, Egypt, Nigeria, Senegal and South Africa) by the then Organisation Of African Unity (OAU) to develop an integrated socio-economic development framework for Africa (Department of Foreign Affairs, Republic of South



Africa, 2003). The 37<sup>th</sup> Summit of the OAU in July 2001 formally adopted the strategic framework document.

NEPAD is designed to address the current challenges facing the African continent. Issues such as the escalating poverty levels, underdevelopment and the continued marginalisation of Africa needed a new radical intervention, spearheaded by African leaders, to develop a new vision that would guarantee Africa's Renewal (Amanor and Moyo, 2008).

**Primary Objectives of NEPAD (Africa Development Bank Group, 2004):**

- To eradicate poverty
- To place African countries, both individually and collectively, on a path of sustainable growth and development
- To halt the marginalisation of Africa in the globalisation process and enhance its full and beneficial integration into the global economy
- To accelerate the empowerment of women.

**The Principles of NEPAD (African Development Bank Group, 2004):**

- Good governance as a basic requirement for peace, security and sustainable political and socio-economic development.
- African ownership and leadership, as well as broad and deep participation by all sectors of society.
- Anchoring the development of Africa on its resources and resourcefulness of its people
- Partnership between and amongst African peoples
- Acceleration of regional and continental integration
- Building the competitiveness of African countries and the continent
- Forging a new international partnership that changes the unequal relationship between Africa and the developed world.
- Ensuring that all Partnerships with NEPAD are linked to the Millennium Development Goals and other agreed development goals and targets.

Whilst NEPAD and sustainable development is outside the scope of this research, its development is confirmation of many of this research's findings.

#### **1.4 The Overview of this Thesis.**

The thesis has a total of six chapters. Following this introductory chapter, the remainder of the chapters are organised approximately in a chronological order of the research process. In chapter two, the literature review/search of the information on IMF, WB, the selected six SSA countries and Zimbabwe is presented.

Chapter three discusses the research process adopted by this doctoral survey which comprises:

- *The research philosophy* – The purpose of considering research philosophy is to understand the philosophy that underpins the choices and decisions to be made in staking a research position. Bryman and Bell (2007) state that a research position will have implications for what, how and why the research is carried out.
- *Post-positivism* – This thesis took a post-positivist stance because this suited the qualitative position taken by the research as opposed to positivist stance which suits the quantitative position. The argument for using the postpositivist paradigm can be made persuasively when the entities being studied are human beings as in this thesis.
- *Research approaches* – Easterly-Smith, Thorpe and Lowe (1991) give three reasons why the approach to the research project is important, that is (a) it enables one to take a more informed decision about one's design, (b) it will help one to think about those research approaches that will work and crucially those that will not, and (c) the knowledge of the different research traditions enables one to adopt one's research design to cater for constraints. Research took the inductive approach because it carried interviews on a sample of Zimbabwean farmers and other respondents in their natural setting in order to find out their experience of farming/working under SAPs.



- *Research strategy* – Marshall and Rossman (1999) define research strategy as a road map, an overall plan for undertaking a systematic exploration of the phenomenon of interest; the research methods are the specific tools for conducting that exploration. The study took the Case Study strategy because it has the ability to generate answers to the question “why?”, “what?” and “how?”
- *Data collection methods* – There are various methods of data collection in the literature. Patton (2002) has this to say on the methods employed in this study; qualitative findings grow out of three kinds of data collection (i) the in-depth, open-ended interviews, (ii) direct observation and (iii) written documents.
- *Reporting the qualitative data* – Several options exist for organising and reporting qualitative data, that is, storytelling, case study and analytical framework. Case Study approach was used to report the qualitative data. Patton (2002) states that, if individuals or groups are the primary unit of analysis, then case studies of people or groups may be the focus for case studies.
- *The checklist* – Data generated by qualitative methods are voluminous a checklist inventory is necessary in order to make sure that all data is accounted for and analysed properly. The problem of incomplete data can affect the results of a research study.
- *Content analysis* – Patton (2002) states that content analysis is used to refer to any qualitative data reduction and sense-making effort that takes a volume of qualitative material and attempts to identify core consistencies and meanings. Content analysis has been defined as a systematic, replicable technique for compressing many words of text into fewer content categories based on explicit rules of coding (Berelson, 1952; USGAO, 1996; Krippendorff, 1980; and Weber, 1990). Case studies, for example, can be content analysed.
- *Patterns and themes* – In content analysis it is crucial to look at the patterns and themes coming out of the research analysis. Content analysis is basically therefore a means of searching text (interview transcripts, diaries or documents) for recurring word themes rather than observation-based field notes.
- *Coding and classifying* – Guba (1978) suggest that in developing codes and categories, a qualitative researcher must first deal with the challenge of

convergence, in other words figuring out what things fit together. This analysis will begin by looking for recurring regularities in the data. These, then, should reveal patterns that can be sorted into categories.

- *Permission to gain entry into research site* – Being a journalist or researcher in Africa is no way to make friends. Guest (2004) states that many politicians (SSA) have berated journalists and researchers for their coverage on Africa, which they say dwells too much on wars, corruption famines, and bad governance and so scares off investors.
- *Ethics employed* – Ethics are necessary for the appropriate behaviour of academics and the conduct of research. Interviews can become confessions, particularly under promise of confidentiality. Interviewees may release information which may be of interest to the police or government security agents. Therefore researchers need to have an ethical framework for dealing with such issues.
- *Access to the research field* – Once permission was given to do research in Zimbabwe the next hurdle was to gain access to the selected respondents. One of the key and yet most difficult steps in ethnography (research study) is gaining access to a social setting that is relevant to the research problem in which one is interested in (Bryman and Bell, 2007).
- *Description of the respondents* – It is essential that the reader(s) has a full description of the respondents in a research setting in order to appreciate and understand the background of the respondents. Respondents were selected from the farming community, agricultural companies, academics and IMF/WB representatives.
- *Sample profile* – This gives reasons why the particular population of respondents, the sample size and the research setting (field) were selected. The selection guidelines and reasons are also given under this heading.
- *Structure of the questions* – Check questions were derived from the objectives, indicators and findings of the research study, and the gaps emerging and discovered from the literature search and from the First Fieldwork interviews.



Patton (2002) suggests that an evaluation can be broken down into objectives, inputs, processes and outcomes. This study followed this suggestion.

- *Interviews and interview schedule* – This discussed how the interviews were conducted in Zimbabwe. An interview schedule and summary are also provided.

In chapter four the rationale of the two stage interview analyses, the data analysis and conclusions drawn from each fieldwork are given and explained in detail.

Chapter five presents the justification for and the proposed alternative ESAP model/framework which is country specific and applicable to Zimbabwe and SSA. It also presents the policies for the alternative framework and how to implement the alternative model. The model does not resemble a formula as in the orthodox IMF/WB model because in creating or designing a formula one would be prescribing a one fit all remedy.

The final chapter gives the conclusions made from the literature review covering the IMF, WB, SAPs, the selected six SSA countries and Zimbabwe. The conclusions from the analysis and results of the first and second fieldworks are given. The recommendations coming out from this research are suggested. The contributions made to the knowledge of agricultural structural reforms are presented. The limitations and personal reflections of the study are provided. The future areas of further study are suggested.

### **1.5 Chapter Summary.**

This chapter provided an introduction to the research study. The background, research objectives and the overview of the thesis were briefly presented. In the next chapter the literature search and review are presented.

**CHAPTER TWO**

**LITERATURE REVIEW**

## **Chapter Two: Literature Review**

### **2.0 Introduction**

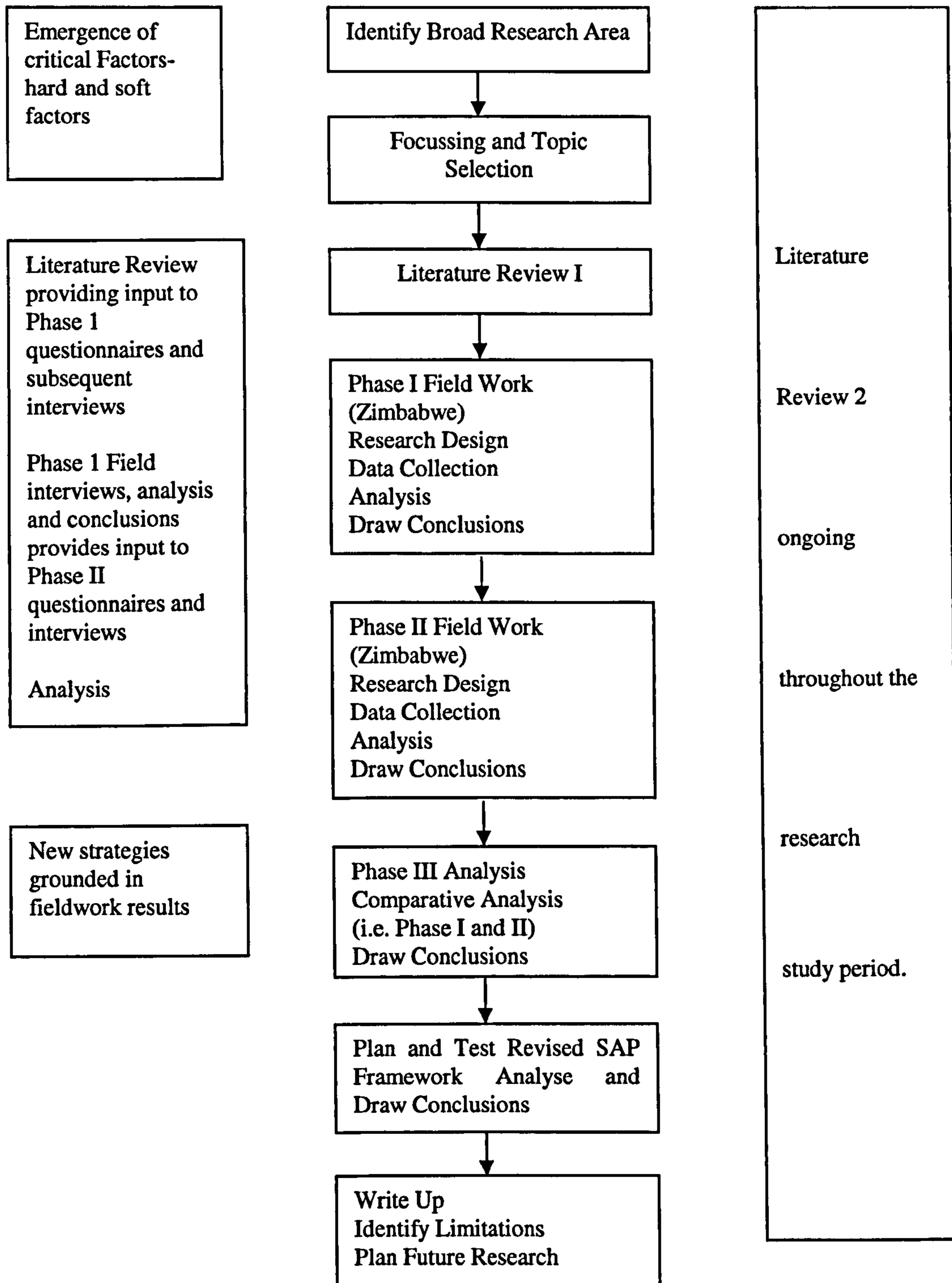
This chapter undertakes a detailed literature review/search of the available information on the IMF, WB, selected six SSA countries and Zimbabwe. Firstly, the sequence of the research is explained. Secondly, the operations of the IMF and WB are looked at vis-à-vis the structural adjustment programmes. This is followed by a review of SAP's and their impact on the SSA countries including Zimbabwe. The emphasis being on agricultural reforms. All this exploration is done in order to find and establish an alternative and more effective framework/model, from the current one used by the IMF and WB, for use in the agricultural reform operations in SSA countries and to Zimbabwe in particular. (Please note that in this thesis, the term "Africa" refers to Sub-Saharan Africa)

### **2.1 Sequence of research**

According to Bechhofer (1974), the research process is not a clearly delineated linear path consisting of predetermined steps. In order to overcome this and help researchers focus on the essentially chaotic process, several researchers (Riley, 1963; Phillips and Pugh, 1994; Howard and Sharp, 1983; Rummel and Ballainey, 1963) have come out with models that provide overviews of the tasks. The seven-step sequence model developed by Howard and Sharp (1983) will be used in this doctoral research study because of its simplicity and universal applicability. The research process is shown in Figure 2.1.

This research has been designed to move through an ordered sequence from a broad conceptual area, from a description of aid/donor agencies (the IMF and WB) to SAP Models, lessons on SAP's from six selected SSA countries, to the precise focus of the study: "A Country-specific Economic Structural Adjustment Programme Model(s) for the Agricultural Sector – A Case Study of Zimbabwe".

**Figure 2.1 The Research Process**





## 2.2 Literature Review/Search

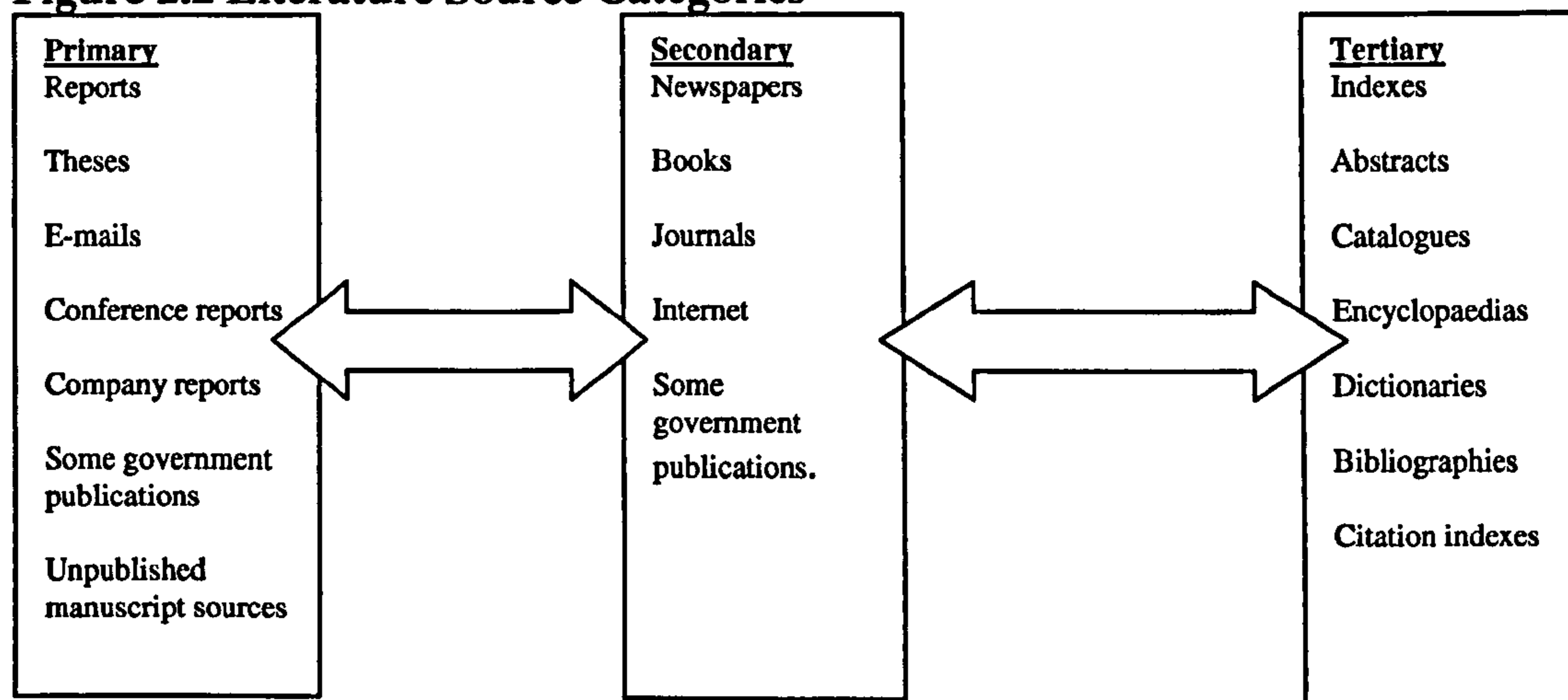
Following the selection of the research topic and determination of the research hypothesis a thorough review/search of the related literature is necessary. The following suggestions by Baxter, Hughes and Tight (1996, p56) regarding the benefits of literature review are seen applicable to this research:

- Because it gives you ideas.
- Because one needs to understand what other researchers have done in one's area.
- To broaden one's perspective and set one's own work in context.
- To legitimate one's arguments.
- So that one can effectively criticise what others have done.
- To learn more about research methods and their application in practice.
- In order to spot areas which have not been researched.

The literature review is divided into two. Literature Review 1 has been designed to provide all the points listed above. Literature Review 2 will cover the same areas as in Literature Review 1 but its main purpose will be to continuously monitor journals, books, seminars/conferences, and websites to remain up-to-date in the areas of concern. Literature 2 is expected to facilitate queries that may arise as the research progresses.

The approach on literature search by Saunders, Lewis and Thornhill (2003) will be incorporated. They divide literature sources into three categories, that is PRIMARY (published and unpublished), SECONDARY and TERTIARY. These categories often overlap as shown below in Figure 2.2.

**Figure 2.2 Literature Source Categories**



Source: Saunders, M., Lewis, P and Thornhill, A (2003). *3<sup>rd</sup> Edition Research Methods for Business Students* p.50 Prentice Hall

It should be mentioned here that one will be looking for relevance of the literature and critically assessing the ideas contained within. A checklist for evaluating the relevance of literature adopted by Saunders et al (2003), Jankowicz (2000) and McNeill (1990) will be used during the course of this study:

- How recent is this item?
- Is this item likely to have been superseded?
- Is the context sufficiently different to make it marginal to your research question(s) and objectives?
- Have you seen references to this item (or its author) in other items that were useful?
- Does the item support or contradict your arguments?
- Does the item appear to be biased? Even if it is, it may still be relevant to your critical review?
- What are the methodological omissions within the work? Even if there are many it still may be of relevance.
- Is the precision sufficient? Even if it is impressive it may be the only item you can find and so still of relevance.

### **2.2.1 Literature Review Divisions**

The literature review/search in this study has been divided into three sections, following Saunders, Lewis and Thornhill (2003), that is, (a) the IMF and WB, (background information)(b) six sub-Saharan African countries (Cote d'Ivoire, Democratic Republic of Congo, Ghana, Kenya, Uganda and Zambia) (relevant information), and (c) Zimbabwe (essential information). This has been done in order to understand and have an insight in the operations of the Brettonwood Institutions; to find out why the six SSA countries took the SAP route and find out the impact of these programmes; and to compare and contrast the reasons why Zimbabwe followed the same road and also look at effects of the reform programmes. The purpose of the study is to arrive at a better understanding of the cause of policy reforms and of the aid-reform link. How has aid, if at all, encouraged, generated, influenced, supported or impeded reforms? Of the six sub-Saharan African countries selected in this study, three have been successful reformers and the other three have not been successful. It is



hoped that by doing this the reasons why SAP's work in some countries and not in others will be found and help in the analysis of the impact of SAP's on developing countries.

When the IMF and the WB came to SSA countries their stated objective was to stabilise the economies and introduce sound macroeconomic policies that would put SSA countries on a path to sustainable economic growth (Asante, 1991). This was in response to the development crisis of the 1980's due to a calamitous combination of declining terms of trade, rising real interest rates, virtual halt of commercial bank lending and reduced growth rates and increased protectionism in industrial countries, the IMF and WB executed many adjustment programmes (Mumbengegwi and Mabugu, 2002). But, instead of growth and development, these policies have brought about economic stagnation, social unrest, poor governance and a failure to make real progress in poverty reduction (Fundanaga, 1989).

While there was a technical distinction between IMF "stabilization" programmes; with presumed emphasis on demand management; and WB "structural adjustment" programmes; with presumed emphasis on the supply side; in practice the two have turned out to be difficult to separate and have many common elements and instruments (Mwanza, 1992). Therefore in this thesis the discussion of SAP's should be understood as referring to both Siamese twins of adjustment and stabilization.

### **2.3 Theory of Structuralism**

Structural theories are not a recent invention. In fact, structural hypotheses were being formulated in Europe during the immediate post-World War 2 period. However, it was in Latin America that the theory of structuralism was further developed and refined (Campos, 1960). During the 1950s and 1960s, most of the countries in that region were caught in a massive inflationary spiral which conventional monetary and fiscal policies failed to resolve (Mwanza, 1991). Inflation had bedevilled economic policy in most Latin American countries for many years and structuralist-type arguments had been put forward by opponents of liberal economic policies from time to time (Skidmore, 1967). Latin American structuralism developed in reaction to



perceived inequities in the world trading system as it had operated through the early decades of the twentieth century (Adkisson, 1998).

During recent decades many Latin American nations undertook market-oriented economic reform programmes. These reforms arose in response to perceived failures of the structuralist-inspired import substitution approach to development of prior decades (Campos, 1960). Structuralist policies were designed with hopes of narrowing the economic gap between the developed nations at the centre of the world trading system and the less developed nations at the periphery.

This centre-periphery situation created an unbalanced process of development characterised by the following features (Rojas, 1992):

- International trade – The prices of manufactured goods bought by the periphery were rising faster than the prices of raw materials, cash crops and foodstuff sold by the periphery to the centre.
- Barriers to industrialisation – (a) international trade forcing Latin American economies to concentrate in producing more raw materials and cash crops/foodstuff, which will contribute to further deterioration of terms of trade; (b) the lack of a strong capitalist class in Latin America calling for a strong participation of the state in the process of industrialisation.

During this period most of Africa and Asia were under colonial rule and most of Eastern Europe and some parts of Asia were under communist control, and therefore the focus of structuralism was on Latin America.

According to Campos (1960), it was primarily the experience of Chile, the most conspicuous case of chronic inflation that gave rise to the formulation of a structuralist theory of inflation. The Chilean peso had depreciated externally and domestically in all but 15 of the preceding 80 years, at annual rates which rose from around 20% in the 1940s to well over 50% in the mid-1950s (Schott, 1959).

In the latter half of 1955, the Chilean government decided on an effort at stabilisation and employed a group of American consultants, the Klein-Saks mission, to prepare a

stabilisation programme (Campos, 1960). It was this, reinforced by broadly monetarist stabilisation policies recommended by the IMF in Argentina and Chile in 1958/9 that sparked off the monetarist-structuralist controversy.

During the 1950s and 1960s, structuralism was used to refer to a stubborn inflation problem engulfing many Latin American countries. The basic argument of the monetarist school was that inflation had reached serious proportions and needed to be stopped by curbing excess demand through monetary and fiscal policies, supplemented by international financial assistance (Campos, 1960). Seers (1962) noted that, the structuralists, on the other hand, argued that inflation naturally accompanied economic growth and that it could not be stopped (using monetary and fiscal policies) without inducing unemployment or economic stagnation. In the structuralist view, growth would be constrained by supply rigidities and price inelasticities (Mwanza, 1991). Other structural rigidities included export concentration and inability to increase the amount and purchasing power of exports, stagnant food supply in the face of increasing demand, the low rate of capital formation and deficiencies in the tax system (Sunkel, 1961; Seers, 1962; Arndt, 1985). Arndt (1985) states that while the structural theory was able to identify and classify the various structural factors and their inter-relationships, it did not really succeed in designing a policy package that would be used to eradicate those factors.

## **2.4 Development Theory**

The thrust of this thesis is primarily concerned with structural adjustment and its impact on economic and social development. Whilst it is not fundamental to the literature informing this thesis, it is essential to refer to “development theory” and its context in this research.

Todaro and Smith (2006) define development theory as the capacity of a national economy, whose initial economic condition has been more or less static for a long time to generate and sustain an annual increase in its gross national income (GNI) at rates of 5% or more. Development must therefore be conceived of as multidimensional process involving major changes in social structures, popular



attitudes, and national institutions as well as the acceleration of economic growth, the reduction of inequality and the eradication of poverty (Todaro, 1989).

The following basic components or core values of development serve as a conceptual basis and practical guidelines for understanding the inner meaning of development theory [Todaro and Smith (2006)]:

- Sustenance – the ability to meet basic needs
- Self-esteem – to be a person. A sense of worth and self-respect, of not being used as a tool by others for their own ends.
- Freedom from servitude – to be able to choose. Freedom to be understood in the sense of emancipation from alienating material conditions of life and from social servitude to nature, ignorance, other people, misery, institutions, and dogmatic beliefs, especially that poverty is predestination.

Barbanti (2004), notes that the concept of development cuts across many levels, that is, it refers to macro issues (such as patterns of a nation's growth), as much as it refers to meso problems (such as river-basin plans) or to micro problems (such as local community development). Development should therefore be understood as a process and not a product. In development societies will always be changing and some will improve and others fail. The development theory aims at explaining both processes which are central to this thesis.

The United Nation's Development Programme (2003) Millennium Development Goals illustrate how development is an interdisciplinary field, which implements programmes in various areas and deals with innumerable variables such as economic, social, political, gender, cultural, religious and environmental issues.

Hettne (1992) observed the following as regards food crisis and development theory in Africa:

- Development theorising, like development praxis in international aid circles suffered from an urban bias.
- Growth and modernisation theory was inadequate from the point of view of the food problem, since it dealt with societal development in the abstract, as a



process inherent in all societies and with similar logic, regardless of the nature and structural position of the societies in question.

- Dependency theory was at least more explicit in dealing with the political dimension of underdevelopment.
- The conventional approach to national security tends to reinforce growth and modernisation strategies with emphasis on industrialisation and corresponding neglect of agricultural development.

SSA has been viewed by the development field as a homogenous entity with common problems requiring common strategies (Delgado, 1997). The majority of countries in the region gained independence from European colonial rule in the early 1960's, but the process of forming agricultural strategies began much earlier. Agricultural Strategies are perhaps the most important component of overall development strategies in a continent where on average agriculture still accounts for 70% of employment, 40% of exports and 33% of GDP (Jacobs and Cleveland, 1999).

In the Third World the peasant indebtedness, hunger, disease and poverty are still to be seen. Development theories should put the peasant at the centre rather the periphery of the development process in order to improve his land resources, reduce his debt and generally lift his standard of living (Kitching, 1989).

## **2.5. The International Monetary Fund (IMF) and World Bank (WB)**

In order to understand and have an insight in the operations of the two organizations the literature search for this section will cover the following:

(i) Brief history of the two Bretton Woods Institutions.

- When and why they were formed
- Their purpose
- Financial operations and loan conditions
- Overall lending policy
- Broadening of conditionality
- Technical assistance.

(ii) Summary of the IMF Monetary Model

### (iii) Structural Adjustment

- Origins and underlying forces

#### **2.5.1. The International Monetary Fund**

To understand the IMF it is necessary to start at the beginning, with the vision of its founders. That vision was breathtakingly ambitious; above all, it sought to ensure that economic chaos and anarchy of the Great Depression would never be repeated. When the architects of the IMF met in the New Hampshire town of Bretton Woods, they set out to build institutions to support a new economic order based on the twin principles of stability and shared prosperity (Oxfam International, 2000).

After the 2nd World War, the industrialized country governments met in the United States of America (USA) at Bretton Woods to organise an international management of world economy. At this time, some European countries (including Great Britain, France, Belgium and Germany) were colonialists in Africa. The general idea was to deal with monetary, financial and trade problems, avoiding economic crises like the one in the early 30's, the one known as the Great Depression and its lingering impacts which culminated in World War II (IMF, 2000). It is worth noting that very few developing countries played any role in the creation of the IMF due to their relatively small economies and the fact that many were not independent nations (Welch, 1999).

Three international bodies were set up in 1944; all of them managed by the USA, Britain and France:

- 1) The International Monetary Fund, known as the IMF
- 2) The International Bank of Reconstruction - later to be known as the World Bank.
- 3) The International Trade Organization. This changed to the General Agreement of Trade and Tariffs (GATT) and finally to the current World Trade Organization (W.T.O) (Rojas, 1997).

##### **2.5.1.1. Purposes (Articles of Agreement of the IMF Article 1 July 1944)**

Member countries that observe and follow to the letter the Purposes as described below have a better chance of getting funding for their countries' SAPs by the IMF/WB and International Financial Institutions (IFIs).



1) To promote international monetary co-operation through a permanent institution which provides the machinery for consultation and collaboration on international monetary problems.

2) To facilitate the expansion and balanced growth of international trade, and to contribute thereby to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members as primary objectives of economic policy.

3) To promote exchange stability, to maintain orderly exchange arrangements among members and to avoid competitive exchange depreciation.

4) To assist in the establishment of a multi-lateral system of payments in respect of current transactions between members and in the elimination of foreign exchange restrictions that hamper the growth of world trade.

5) To give confidence to members by making the general resources of the Fund temporarily available to them under adequate safeguards thus providing them with the opportunity to correct maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity.

6) In accordance with the above to shorten the duration and lessen the degree of disequilibria in the international balance of payments of members.

Welch (1999) notes that the IMF is one of the most powerful actors in the global economy. As a multilateral institution it lends out billions of dollars to countries experiencing extreme economic imbalances and mobilizes billions more from rich creditor nations and other international financial institutions, she concludes.

In the midst of change, there have been strong elements of continuity. The IMF still provides balance of payments support with the policy conditions attached, and is now a more active lender of last resort than in its heyday, as witnessed by its response to successive crises in Mexico, East Asia and Brazil. But the IMF's customers may have changed, but many of its activities have not.



The IMF's financial operations and loan conditions are as follows:

- The IMF is a large revolving fund. Members can borrow resources from each other on a wide range of terms, subject to the strict condition they repay on time.
- Finance for the IMF's operations come from the subscriptions of its members - their quotas. Under a quota increase announced in 1997, the IMF's quotas now amount to US\$375 billion (2005). In addition to this general fund, the IMF can call on up to US\$68.2 billion in loans from the central banks of some of its richer shareholders to lend to members facing financial crises. The New Agreement to Borrow, introduced in 1997, is the largest of these borrowing facilities.

Each member country of the IMF can borrow back its initial subscription to the IMF on a "no strings attached" basis. In the event of a balance of payments problem, they can borrow up to three times their quota. The more they borrow above quota, the more stringent the conditions attached. There are three main types of loans (Ahmed, Lance and Schulze-Ghattas, December 2001):

**a) Stand-by Arrangements**

These loans give the short-term balance of payments support, which the IMF was created to provide. Loans are at market interest rates, with repayments scheduled over a three to five year period. In 1997, the IMF approved stand-by arrangements for Indonesia (US\$10 billion) and South Korea (US\$20 billion).

**b) Extended Fund Facility (EFF):**

This was established in the wake of the 1974 oil crises. It provides balance of payments support over a longer period, and in larger amounts, than is permitted under the stand-by loans. Repayments can be made over a four-year to ten-year period.

**c) Enhanced Structural Adjustment Facility (ESAF):**

Succeeding the Structural Adjustment Facility, the ESAF provides concessional loans to low-income countries. The interest rates are low (about 0.5%) and repayments have to take place in ten years, but with a 5-year grace period. There are currently 33 low-income countries with ESAF loans. Conditions are stricter than for any other loans, and monitoring is more stringent. Unlike other facilities, ESAF loans are financed directly by governments in industrialized countries.

**2.5.1.2. Overall Lending (IMF March 2001):**

The pattern of IMF lending varies from year to year. During 1997/98, outstanding

credit rose to U.S\$56 billion, with transfers rising to four times the level of the previous year. This reflected high demand from countries in East Asia: the loan to South Korea was the largest in the IMF's history, while total lending commitments to East Asia amounted to over US\$34 billion. Low-income countries account for the bulk of operations, but a small proportion of overall financing. The IMF is not equipped to act as a provider of long-term development finance, although many of its programmes address long-term development problems for the poorest countries, the revolving fund revolves far too quickly. Taking into account repayments, the net transfer is often small - and in some cases negative for instance, in 1997 SSA (subject of this study) repaid the IMF US\$300 million more than it received in new loans.

### **2.5.1.3 Political Power and Loan Conditions (IMF, April 2002)**

In order to understand the extent of the IMF's influence it is necessary to look beyond the transfer of financial resources. It derives its power from the authority vested in it by its major shareholders. This authority is reflected in the strength of the IMF loan conditionality. Countries falling foul of these conditions risk exclusion from aid flows and debt relief. Other financial institutions will rarely support governments failing to comply with IMF programmes. The principle of cross-conditionality means that, generally, the WB will not lend to low income countries from which the IMF has withheld its seal of approval, for example. This gives the IMF a policy influence, which is entirely disproportionate to its financial stake. For example, while the IMF accounts for only 5% of aid to SSA, countries in the region depend on its seal of approval in order to receive aid from other sources. Controlling and influencing aid flows through conditionality, the IMF is first among equals. It is the gatekeeper for far more development assistance than it provides itself. In this context, the notion of developing countries entering into agreements with IMF on a voluntary basis strains credibility.

The authority bestowed on the IMF raises important questions about how it operates. While it retains the image of a democratic financial co-operative this obscures what amounts to dictatorship based on wealth - another element of change with continuity. While developing countries account for the majority of IMF members, the survival of the old quota system has prevented any distribution of political power (Table 2.1).



Among the consequences (Oxfam International, 2000):

**Table 2.1 IMF and World Bank voting shares**

Region.	IMF and IBRD voting share averaged (%).	World population (%).	Voting share to population difference.
EU states	29.9	7.1	+22.8
North America	19.7	5.2	+14.5
Middle East and North Africa	8.6	4.9	+3.7
Latin America and Caribbean	7.7	8.5	-0.8
East Asia (excluding Japan)	7.1	30.9	-23.8
Japan	7.0	2.0	+5.0
Eastern Europe and Central Asia	6.5	6.7	-0.2
Sub-Saharan Africa	5.5	10.3	-4.8
South Asia	3.5	23.8	-20.3
Non-EU Western Europe	2.5	0.2	+2.3
Australasia	2.5	0.2	+2.3
Developed	61.2	20.7	+40.5
Developing and transition	38.8	79.3	-40.5

Source: Jones, T and Hardstaff. (May 2005). *Denying Democracy p.33*. World Development Movement

- The United States of America accounts for 18 per cent of votes on the IMF's Board -- more than Latin America, South Asia, and SSA combined.
- Belgium, with a population of 11 million people, has more votes than India, with a population of almost one billion people.
- The United Kingdom has more votes than the 40 SSA countries represented on the IMF Board.

In the light of this state of affairs, leaders of developing countries have been demanding for reforms to be made within WB and IMF (Mwanza, 1991) (one of the reasons of this research study). The two Bretton Woods institutions have been accused of democratic deficit in their structure and operations (Oxfam International, 2000).

Looking at the difference between various regions' percentage shares of IFI votes and percentage share of the world's population (see Table 2.1), EU nations, the United States, Canada and Japan are most overrepresented within the IFI's, with the Middle East and North Africa, non-EU Western Europe and Australasia also overrepresented. East Asia and South Asia are most underrepresented, whilst SSA, Latin America and Eastern Europe and Central Asia also receive less than their fair share of votes.

#### **2.5.1.4. IMF Monetary Model**

The IMF developed a model reflecting the monetary approach to the balance of



payments in the 1950's. Its purpose was to integrate monetary, income and balance of payments analysis, and it became the basis of the conditionality applied to IMF credits. It helped the IMF to come to a judgment on whether a country's policies would be sufficient to restore balance and if they were not, to insist on a strengthened policy package as a condition for IMF credit. IMF Stand-by Arrangements and other financial support (WB, for example) continue to be designed around monetary targets as "performance criteria" for the release of successive amounts of financial assistance or as "bench marks" that play a major role in the reviews of such arrangements (Rojas, 1997). This monetary model is the subject of this research.

According to its designer (Polack, 1997) the characteristic of the model is simplicity; for the following reasons;

- a) At the analytical level, simplicity was the inevitable in view of the paucity of basic economic data such as National Income in the early post war years for many of the Fund's member countries and indeed, the probability that this situation would not be remedied for decades. The model requires, as inputs, only two sets of statistics (these were generally available) i.e. banking and trade data.
- b) The model focused on the key variable that government could control - domestic credit creation. This was seen as the crucial to the correction of the balance of creation problems of which IMF assistance had been invoked.

In the developed economies the limitations on statistical data have to a considerable extent subsided. There are still many IMF customers both in the developing world and among the transition economies, for which constructing an empirical model suitable for inferences about policy choices and outcomes would be a questionable undertaking.

The model (see Appendix 1) was designed to study the effects on both income formation and the balance of payments of the two most important exogenous variables (variables determined outside the model) operating on the economies on the great majority of countries in the early post war period: - autonomous changes in the exports and the creation of domestic bank credit; or in monetary terms, foreign and domestic autonomous additions to the countries money supply.

### **2.5.1.5. The Model Over Time**

The IMF has continued to use the same model as the foundation of its credit arrangements. These arrangements have continued to broaden and deepen over the years. The IMF moved toward advice on specific types of taxes (with some taxes judged more acceptable than others) and on various types of expenditure, endorsing social safety nets and education (especially primary, but not necessarily tertiary education) and frowning on military and other non-productive expenditures.

Many IMF - supported programmes have in recent years contained major policy understandings on structural adjustment, price and trade liberalisation, deregulation of labour market, privatisation, and many other policies. As these could not be captured in econometric equations, no attempt was made to build them into the model. This has led the contents of the packages to become increasingly complex over the years. A number of changes to the model have been considered over time, for example, with respect to the Exchange Rate, Medium Term Growth and Control over inflation.

### **2.5.2. The World Bank**

“The work of the WB and the IMF is complementary. It should be noted that their functions/roles are not similar. The WB is a lending institution whose aim is to help integrate countries into wider world economy and promote long-term economic growth that reduces poverty in developing countries whereas the IMF acts as a monitor of the World’s currencies, by helping to maintain an orderly system of payments between all countries, and lends money to members who face serious balance of payments deficits. That is, the IMF provides loans to member countries that have a short-term problem meeting their foreign payment requirements.” (World Bank Group, 2001)

The WB uses its financial resources (giving long-term loans), its trained staff, and its extensive knowledge base to individually help each developing country on to a path of stable, sustainable, and equitable growth. The main focus is on helping the poorest people in the poorest countries, but for all its clients the WB emphasises the need for (World Bank Group, 2001):

- Investing in people, particularly through basic health and education.
- Focusing on social development, inclusion, governance and institution - building



as key elements of poverty reduction.

- Strengthening the ability of the governments to deliver quality services, efficiently and transparently.
- Protecting the environment
- Supporting and encouraging private business development
- Promoting reforms to create a stable macro-economic environment, conducive to investment and long-term planning

The WB's global fight against poverty is aimed at insuring that people everywhere in this world have a chance for a better life for themselves and for their children. Over the past generation, more progress has been made in reducing poverty and raising living standards than during another period in history. For example, in developing countries (World Bank Report, 2000):

- Life expectancy was increased from 55 to 65 years (but this has now been reduced by the Human Immune-Deficiency Virus (HIV)/Acquired Immune-Deficiency Syndrome (AIDS) epidemic to between 40 to 45 years)
- The number of children in primary school has risen from 411 million to 681 million
- Infant mortality has been reduced by 50%

Despite these successes, massive development challenges remain. Of the 4.7 billion people who live in over 100 countries, that is WB clients:

- 3 billion live on less than US\$2 dollars a day and 1.2 billion on less than US\$1.
- Nearly 3 million children in developing countries die each year from vaccine preventable diseases.
- 113 million children are not in school
- 1.5 billion do not have clean water to drink (World Bank Report, 2000).

Effective poverty reduction strategies and poverty focused lending are central to achieving the WB's objectives. The WB is also helping countries to strengthen and sustain the fundamental conditions they need to attract and retain private investment. The countries are investing in human resources, infrastructure, and environmental protection, which enhance the attractiveness and productivity of private investment.

In addition the International Development Association (IDA) and the International



Bank for Reconstruction and Development (IBRD) which provides loans and development assistance to middle income countries and creditworthy poorer countries, the WB Group is made up of three other institutions (World Bank Group, 2001):

(a) The International Finance Corporation (IFC), which promotes private sector investment both foreign and domestic in developing member countries. Its investment and advisory activities are designed to reduce poverty and improve people's lives in an environmentally and socially responsible manner.

(b) The Multilateral Investment Guarantee agency (MIGA) whose mandate is to promote foreign direct investment by offering political risk insurance (guarantees) to investors and lenders, and by providing skills and resources to help emerging economies attract and retain this investment. The projects MIGA supports typically convey many direct benefits to host countries including jobs created for local workers; accompanying and enduring investments in skills and training for employees; and a general impact on the national economy as a whole, as provided by tax revenues and foreign exchange earnings through exports.

(c) The International Centre for Settlement of Investment Disputes (ICSID) provides facilities for settlement by conciliation or arbitration of investment disputes between foreign investors and their host countries.

## **2.6. Structural Adjustment: Origins and Underlying Forces.**

Structural adjustment in economic policies, by its own definition, means some measures to correct problematic sectors and redress the structure of a certain economy (The World Bank Group 2003). However, after the 1980's, it has been used to refer to specific sets of economic policies linked to the conditional loans of the IMF and the WB. Hoogvelt (1999:26) wrote, "Structural adjustment is the generic term used to describe a package of measures which the IMF, the WB and individual Western aid donors have persuaded many developing countries to adopt during the 1980's, in return for a new wave loans".

The process of structural adjustment was first initiated in the industrialised countries and then "exported" to developing countries. It was the result in both groups of countries of a combination of conjunctural and secular forces. The former were represented by the economic crisis in the post-1973 period, first in the industrialised

and then in the developing countries; the latter by the upsurge of world economic integration in the post-war period (Rojas, 1997).

Since the late 1950's the IMF have been imposing monetarism (neo-classical economic theory based economic policies) as a condition for lending money to less developed societies facing problems with their balance of payments (Rojas, 1997).

In a complex world economy, adjustment is inevitable. The normal process of competition is periodically marked by crises that disrupt national economies, create severe balance-of-payments problems and threaten to exclude many people from international markets. Whether these crises stem fundamentally from unwise interference in the market or, on the contrary, from lack of adequate regulation are one of the central debates in economic policy-making (Dollar and Pritchett, 1998).

Although technical expertise (based upon underlying theoretical assumptions, for example, the IMF Monetary Model) is an important element in designing a response to crises, adjustment is above all a political process (Polack, 1997). The content of policy reform is shaped by the ability of different groups within adjusting countries to promote and defend their own interests; by the bargaining power of specific deficit countries in the international economic and political arena; and by the internal political agenda of creditor countries during the period when programmes of economic stabilization and assistance are being worked out (IMF, 2000). Rojas (1997) confirms this view when he observed that SAP is the name for this comprehensive economic policy imposed or accepted by the ruling elites in less developed societies.

These elements in the political equation of adjustment have changed considerably over the past 50 years; and, in consequence, the content of adjustment programmes has also undergone modification (Welch, 1999). While stabilization programmes until the 1970s - which restored monetary and fiscal order, and preserved the capacity to import - were not usually followed by attempts to restructure the economy, adjustment in the 1980s and early 1990s was associated with intense pressure to abandon inward-oriented national projects of economic development and to stake the future of people in the developing world on increasingly unprotected participation in the international



market (World Bank, 2001).

The Halifax Initiative (1997) summarizes structural adjustment as the name given to a set of free market economic policies imposed on countries by the IMF and WB as a condition for receiving financial assistance. SAPs are designed to improve a country's foreign investment climate by eliminating trade and investment regulations, boosting foreign exchange earnings by promoting exports, and reducing government deficits through cuts in spending. The kind of SAPs referred to here, by the Halifax Initiative, are programmes developed by the IMF and WB in the early 1980s. These programmes attach a number of stringent conditions to cash transfers.

New loans and aid are given only if the debtor nation implemented IMF/WB - sanctioned reforms. In order to continue receiving funds, countries already devastated by debt obligations have little choice but to adhere to conditions mandated by the IMF and WB. In addition, most donor countries will not contribute bilateral assistance to any developing nation unless that country has accepted these conditions and adopted SAPs.

The Halifax Initiative is a coalition of development, environment, faith-based, human rights and labour groups. Their aim is to fundamentally transform the international financial system and its institutions, namely, WB, IMF and export credit agencies; in the hope of eradicating poverty, environmental sustainability and the full realisation of human rights in the developing countries.

Although SAPs differ from country to country, they typically force indebted countries into adopting a series of harsh economic measures that include (Halifax Initiative, 1997):

- A shift from growing diverse food crops for domestic consumption to specializing in the production of cash crops or other commodities for export.
- Abolishing food and agricultural subsidies to reduce government expenditures.
- Deep cuts to social programmes, usually in the areas of health, education and housing, and massive layoffs in the civil service.
- Currency devaluation to make exports cheaper but imports more expensive.



- Liberalization of trade and investment and increases in interest rates to attract foreign investment.
- Privatisation of government - held enterprises.

The IMF and WB argue that SAPs are necessary to bring a developing country from crisis to economic recovery and growth. They believe economic growth, driven by foreign investment, to be the key to development. The resultant wealth, they claim, will eventually “trickle - down” or spread throughout the economy and eventually to the poor. SAPs are not designed to achieve social well – being (Oxfam International, 2000). Multilateral agencies and other donors simply hope that applying free market principles to a developing economy will improve social welfare in the process. This process of adjustment, as described by many IMF and WB officials to developing countries, is one of “sacrifice”, of “present pain for future hope”.

As said earlier, the providing of finance to countries facing serious external payments imbalances is one of the important functions of the IMF. But financing by itself is obviously not enough. It must be accompanied by countries’ own efforts to tackle the underlying sources of their imbalances. For instance, if a country has been relying on domestic credit creation to finance a fiscal deficit, and therefore eventually runs out of international reserves, the aim of the IMF’s financing is to give the country breathing space to make the necessary policy changes, for example, fiscal retrenchment and credit restraint - to address the underlying sources of the balance of payment problem and avoid disorderly adjustment.

The IMF and WB financing, however, can be provided only if the member countries’ authorities commit to necessary policy changes and reforms, and keep those policies and reforms on track, adjusting them if circumstances warrant (Rojas, 1997). This is IMF/WB conditionality. It involves commitments on both sides. On the one hand, conditionality provides assurances to the country that as long as it implements the agreed policies, it will continue to receive the financing committed by the IMF. Conditionality also provides safeguards to the IMF that the money it has lent is being used for the intended purpose and that the member country will be able to repay what it has borrowed.

## **2.7. Broadening of Conditionality**

Conditionality is a term used to describe what a poor country must do in return for receiving loans, aid or debt relief (World Development Movement, 2005). The Articles of Agreement of the IFIs say nothing specific about conditionality and do not require the IFIs to impose free market economic policies on the countries to which they lend/grant money. It is a practice that has steadily become a standard feature of IMF/WB lending as they have increased their role in the developing world since the 1970s.

For many years, the policy conditions attached to loans were called 'structural adjustment' with WB loans being called 'Structural Adjustment Credits' and IMF loans being called its 'Structural Adjustment Facility'. But after over a decade of protest and criticism, the term 'structural adjustment' became synonymous with failed policies and undermining democracy, leading the WB to rename its various structural adjustment credits as Poverty Reduction Support Credits (PRSC) and the IMF to rename its 'Enhanced Structural Adjustment Facility' (ESAF) as its 'Poverty Reduction and Growth Facility' (PRGF). Despite the name changes, these lending mechanisms have continued to operate in the same way as previous lending instruments; loans are given on the condition that certain policies implemented by the recipient country. It should be noted that because of this and to avoid confusing the reader, the name 'structural adjustment programmes or SAPs' will be used and maintained in this study for all structural adjustment issues.

The broadening of conditionality (Ahmed, Lane and Schulze-Ghattas, 2001) was driven by two factors. First, there was the criticism in the 1980s that the IMF, in dealing with balance crises, did not pay sufficient attention to restoring sustained growth. It was argued that improving economic growth through structural reforms could contribute to balance of payments correction as well as higher living standards. This increased emphasis on growth led the IMF to include structural measures - such as price and trade liberalization, privatisation, and a range of policies touching on economic governance - in IMF - supported programmes.

Second, the IMF also became increasingly involved in providing financing for countries; including low-income countries, transition countries and countries



undergoing financial crises; facing problems very different from those most IMF member countries had experienced. While old-style monetary and fiscal adjustment was often an essential part of the policy mix; the difficulties facing these countries were not only manifestations of macroeconomic imbalances but also reflections of structural problems that made it difficult to fix imbalances quickly.

As a result, IMF - supported programmes came to cover a broad range of policy measures, some of which were intended to strengthen the structural underpinnings of macroeconomic policies, others to improve the resilience of key sectors of the economy. For example, in many countries, the fiscal deficit partly reflects governments' lack of administrative capacity to collect taxes from many parts of the economy. Consequently, in many cases, the IMF lends on condition that the authorities strengthen their ability to collect taxes from a broader segment of the economy or prioritise their spending better. In others, inefficiently run public enterprises were a major drain on the budget, and restoring the country's long-run fiscal viability meant addressing the causes of inefficiency in these enterprises.

## **2.8. Technical Assistance**

An important aspect of IMF/WB relationship with member countries has been the provision of technical assistance to strengthen their economic and financial management (IMF, 2000). The focus of technical assistance has been on areas in which the Bretton Woods institutions have a comparative advantage, that is, public finance, central banking, exchange systems, and economic and financial statistics. Assistance has also extended to capacity building by developing and strengthening institutions and training local officials in new work practices. Examples are computerization of tax administration, improved systems for monitoring budgetary policies, compilation of statistics for economic policy, and new monetary policy instruments.

Technical assistance has been provided to several transition economies experiencing large changes in prices and employment to improve the targeting of subsidies and to restructure pensions, unemployment compensation, and other social benefits. The scope of assistance has been extended to encompass the strengthening of the delivery



of poverty alleviation programmes, including enhanced management of social expenditures (IMF 2000).

The assistance has sought to establish institutions and procedures to monitor, control, and evaluate public expenditure. This should increase transparency and accountability in decision making, improve the cost-effectiveness and targeting of social and other spending and strengthen the conduct of macroeconomic management.

## **2.9. The IMF/World Bank's Perspective (World Bank Group, 2001)**

While economic policies of individual countries can have diverse objectives, there are three key points which are of particular relevance for social development, that is, economic growth, controlling inflation and the promotion of the agricultural sector (IMF 2000).

To achieve progress in these three areas, the main pillars of economic policies include sound macroeconomic and structural policies, with a strong social policy component, and good governance and participatory development and the following require adherence to (IMF 2000).

### **2.9.1. Macroeconomic Policy**

Sound macroeconomic policies, that is, fiscal, monetary and credit, and exchange rate policies, are needed to secure financial stability and external viability with low inflation. In the absence of these conditions, it is difficult for a country to encourage productive investment or to promote the efficient use of scarce resources, both of which are essential for durable growth.

### **2.9.2. Structural Policy**

Structural reforms are often vital to promote a market-based environment with an outward orientation. These include liberal and open systems of prices, exchange, trade, and investment; agricultural marketing arrangements that promote competition; a financial system that is free of direct credit allocation and effectively channels financial savings to productive investment; and policies that take into account their impact on the environment.

### **2.9.3. Social Policy**

Social and supplementary structural policies are also needed to strengthen the social dimensions of economic development. These include labour market policies aimed at ensuring high employment through competitive and flexible wages and at removing other rigidities while adhering to International Labour Organisation (ILO) principles. Public expenditure programmes aimed at protecting and when possible, increasing cost-effective programmes for human development and reducing poverty (such as generally accessible health, education, and social security programmes). A tax system that ensures a fair distribution of the tax burden; and well-targeted social safety nets to mitigate negative effects of economic reform on vulnerable groups. It should be noted that currently the Social Dimension Fund has been declared ineffective.

### **2.9.4. Good Governance and Participatory Development**

Effective governance involves such diverse elements as publicly accountable institutions for formulating and executing the budget, efficient tax administration and public expenditure management, prudent banking supervision, a transparent foreign trade and exchange regime, and a fair and transparent legal and regulatory framework. Transparency and checks and balances, at both the political and administrative levels, can help limit the influence of special vested interests.

There is a broad consensus among governments and in the international community on the importance of most of these elements. But translating them into concrete policies and priorities involves difficult choices concerning income distribution, as well as present and future consumption and investment. Consensus building often involves disseminating information, explaining policies to the general public, and where appropriate, decentralizing the decision-making and implementation process (Welch, 1999). It is critical that key players, especially people at the grass - root level, have a stake in economic policy making, and that the social policies are compatible with the administrative capacity (Rojas, 1997).

Smith (2001) states that any reform is likely to involve losers as well as gainers and thus, as a prerequisite for any successful reform is a political commitment at the highest levels to take the necessary steps to initiate, implement and maintain the



reform process. He lists the following as necessary political conditions for successful reform:

- **Political desirability.**
- **Political feasibility.**
- **Political credibility.**
- **Donor coordination.**

## **2.10. Why Do Structural Adjustment Programmes Work In Some African Countries And Not In Others?**

Studies surrounding the success of IMF/WB sponsored SAP conflict in varying degrees as to how effective these programmes are. The severity of economic crisis, political conflict and cultural upheaval play significant roles in determining the success of any adjustment programme. The debate that surrounds the success of adjustment programmes centre around three main questions:

1. How do we measure success? SAP are designed to address instabilities in macro-economic factors and thus the common measurement for the effectiveness of these programmes has been to look at the condition of balance of payments, economic growth, government deficits and inflation (Dollar and Svenson, 2000). A common indicator to measure success has been to evaluate the economic growth as an overall measure of economic health. However, even this simple measure bears contradictory results. Hutchison (2001) suggests that economic growth slowed for countries undergoing adjustment. Summers and Pritchett (1993) found that SAP works with higher growth, exports and savings. While Mercer-Black and Unigovskaya (2000) could not find evidence that the adjustment programmes affected growth. These economic indicators do not fully comprehend the complexities of economic crisis and stabilisation. Economic growth may be an inappropriate goal for adjustment policies (Easterly, 2002). The criteria of success should be extended to include other indicators of economic success (Bird, 2001) as well as social and cultural indicators (Messkoub, 1992).
2. Who owns the implementation of SAP? Fisher (1997) suggests that the IMF needs to design, negotiate and support programmes that are more likely to be implemented and owned by developing countries. *This is the primary*



*objective of this thesis, to propose an alternative to the current SAP.* The unsuccessful result of structural adjustment policies has been that there has been a lack of commitment by developing countries to fully implement these policies (Smith, 2001). Some argue that it is due to the lack of political will to implement these socially unpopular policies (Bird, 2001). While others contend that political corruption (Scott, 1998) or domestic political agendas seeking international validation undercut the true intentions of adjustment programmes (Przeworski and Vreeland, 2003).

3. How long should economic stabilisation take? – The nature of SAPs are in general supposed to alleviate short-run economic crisis by using long-run policy choices. There is a rising debate as to whether or not this strategy is appropriate for countries in crisis. Some suggests that even though there is a negative effect in the first year of SAP in the following years the gains are positive (Conway, 1994). Therefore a country under adjustment programmes will ultimately see positive results from adjustment. Others argue that these short-run declines have a disproportionate effect on the poor and thus long-run social impacts (Messkoub, 1992). The poor have fewer resources to deal with changes to the economy and particularly to reductions in public spending.

A study of seven African countries by researchers from donor and recipient countries under the auspices of the Overseas Development Council (2000) pointed to good economic policies as a key precondition for successful assistance. Clearly, the large influx of aid has not fostered rapid economic growth in most African countries and has been partly successful in poverty alleviation (Barkan, 1992). Unfortunately, a number of factors prevent the establishment of a clear link between aid and the overall performance of the economy. It is a fact that government economic policies themselves can prevent aid from having the impact it otherwise would have (van de Walle and Johnston, 1996).

Since the early 1980s, virtually every SSA country has received large amounts of aid aimed at stimulating policy reform (Devarajan, Dollar and Holmgren, 1999). They concluded that the results have varied enormously; Ghana and Uganda were

successful reformers that grew rapidly and reduced poverty. Cote d'Ivoire and Ethiopia have shown significant reform in recent years, but it remains to be seen if this is sustained. In other countries policies changed little or even got worse.

The WB (2000) described the scenario in Africa in 1990 as follows:

- Half of Africa's states had military or quasi-military regimes.
- Single-party rule under autocratic civilian leaders was the order of the day.
- States had interventionist economic policies under socialist or Marxist ideology.
- There was poor institutional governance.

Dollar and Svenson (2000) investigated the determinants of the success or failure of reform programmes supported by adjustment assistance. They found that reform outcome could be predicted by underlying political-economy variables such as length of tenure of the government and whether the leader was democratically elected. Variables under donors' control had no influence on the success or failure of reform. Other studies have found no systematic relationship between aid and policy (Killick 1991, Ranis 1995, Mosley et al 1995).

Foreign aid in different times and different places has thus been highly effective, totally ineffective, and everything in between (Dollar and Pritchett, 1998). Perhaps that is to be expected in a complex endeavour that has spanned half a century, with scores of countries as donors, a hundred countries as recipients, tens of thousands of specific activities, and nearly US\$1 trillion in finance (Collier and Dollar, 1998). But hindsight is valuable only if it produces insight. The chequered history of assistance has already led to improvements in foreign aid, and there is scope for further reform. The pressing question: How can development assistance be most effective at reducing global poverty?

While there has been more progress with poverty reduction in the past 50 years than in any comparable period in human history, poverty remains a dire global problem (Dollar and Pritchett 1998). More than a billion people live in extreme poverty - on less than US\$1.00 a day. Even more lack basic services that people in developed countries take for granted: clean water, sanitation, electricity and schooling. It is ironic



and tragic that just as economic reform has created the best environment in decades for effective assistance; donors have cut aid back sharply. In 1997 the Organisation for Economic Co-operation and Development (OECD) donors gave the smallest share of their GNPs in aid since comparable statistics began in the 1950s-less than one-quarter of 1% (Dollar and Pritchett 1998). It would take roughly a 50% increase even to restore aid to its 1991 level.

There have been many excellent studies of foreign aid. But there are three important reasons to revisit this previously chartered territory. First, recent shifts in the global economic and political environment, notably the end of the Cold War and the surge in private capital flows to the developing world, have affected the landscape for development assistance in a way that has left many questioning the existence of aid. Second, there has been a shift in development strategy that requires a new approach to aid as a tactic within the evolving agenda. Third, there is new empirical evidence that provides insights into the puzzle of what is effective aid and what is ineffective aid.

Dollar and Pritchett (1998) produced the following findings as regards to aid:

- *Financial aid works in a good policy environment.* Financial assistance leads to faster growth, poverty reduction, and gains in social indicators in developing countries with sound economic management.
- *Improvements in economic institutions and policies in the developing world is the key to a quantum leap in poverty reduction.* True, there have been sharp improvements in governance and policies in the past decade, but further reform of the same magnitude would lift another 60 million people a year out of poverty.
- *Effective aid complements private investments.* In countries with sound economic management, foreign aid does not replace private initiative. Indeed, aid acts as a magnet and “crowds in” private investment by a ratio of almost US\$2.00 to every US\$1.00 of aid.
- *The value of development projects is to strengthen institutions and policies so that services can be effectively delivered.* Aid brings a package of knowledge and finance. Most aid is delivered as investment projects in particular sectors such as roads, water supply, agriculture, or education.



- *An active civil society improves public services.* The best aid projects support initiatives that change the way the public sector does business. The top-down, technocratic approach to project design and service delivery has not worked in areas critical for development, for example, irrigation schemes, rural water supply, primary education, national resource management and many more.
- *Aid can nurture reform in even the most distorted environments but it requires patience and a focus on ideas, not money.* In some of the poorest countries of the world, the government is not providing effective policies or services, which is why government - to - government transfers have yielded poor results.

From their case studies of ten African countries (Cote d'Ivoire, DRC, Ethiopia, Ghana, Kenya, Mali, Nigeria, Tanzania, Uganda and Zambia), Devarajan, Dollar and Holmgren, (1999), brought out the following findings about reforms in Africa:

- Policy formation is primarily driven by domestic political economy. It is hard to find simple generalizations about successful and failed reforms, but one striking fact is that countries that have truly severe economic and political crises, for example, Ghana, Uganda, Nigeria, Zaire, tend to move to the extremes, either falling apart or developing coherent reform movements. Of these crisis countries, it is the natural-resource-rich ones that fell into civil war - Nigeria, Zaire (DRC). The countries that avoided crises did not fall apart, but have found it hard to develop coherent reform movements that overcome vested interests who benefit from the perpetuation of poor policies.
- Successful reformers have consultative processes that build consensus for change. However, in their sample, according to the authors, there is no relationship between formal democratic institutions and good economic policy.
- Large amounts of aid to countries with bad policy sustained those poor policies. The funding allowed the delay of reform. Attaching conditions to the aid in these cases has not successfully led to policy changes, nor has it delayed the disbursement of funds.
- Aid played a significant and positive role in the two sustained reformers (Ghana, Uganda). It helped with ideas, though in both cases there was also strong local talent formulating policy. In these cases finance grew as policy



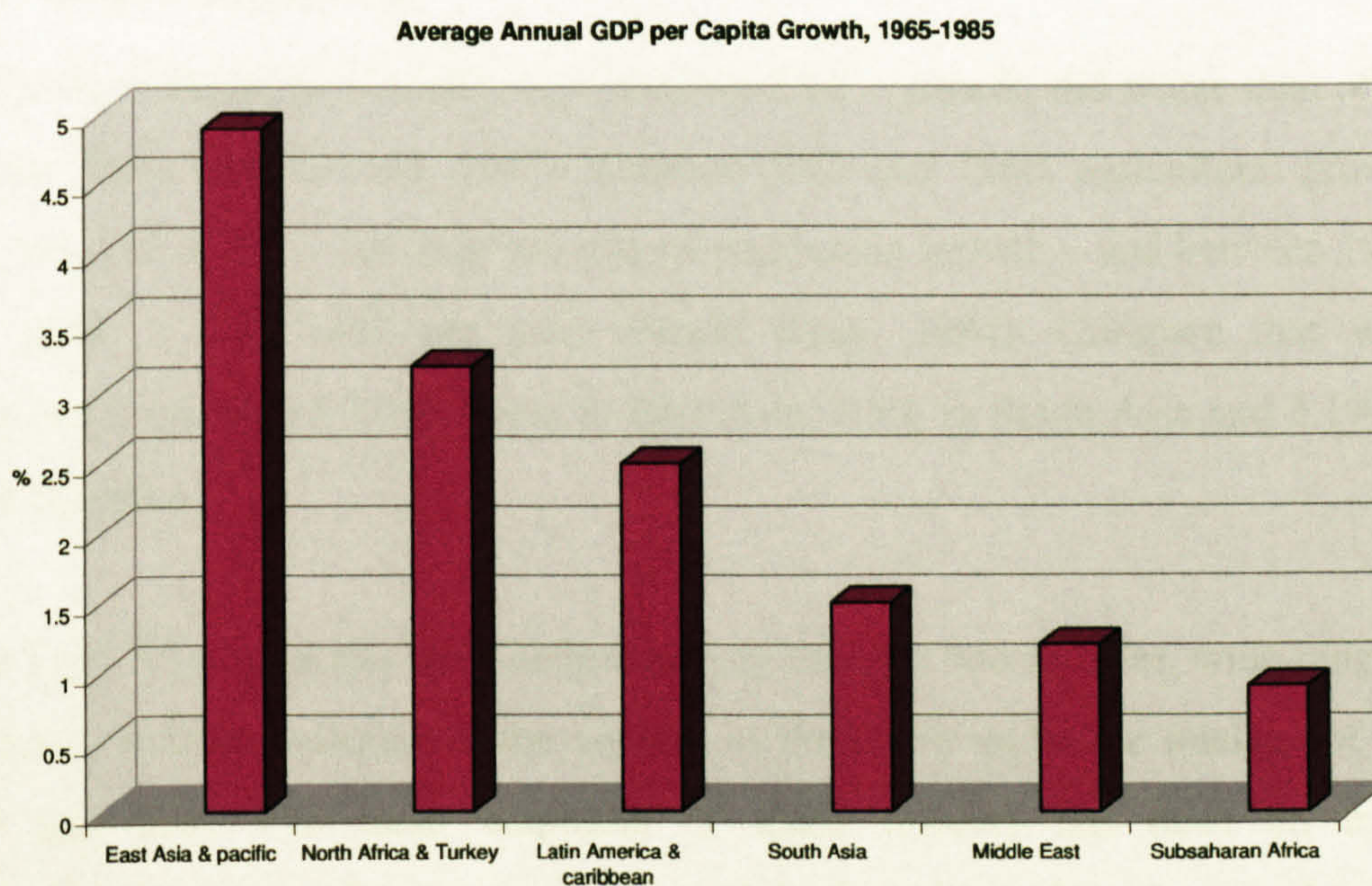
improved and increased the benefits of reform, helping sustain political support.

- In general, donors have not discriminated effectively among different countries and different phases of the reform process. Donors tend to provide the same package of assistance everywhere and at all times (hence the need to change the model).

### 2.11. Six sub-Saharan African Countries.

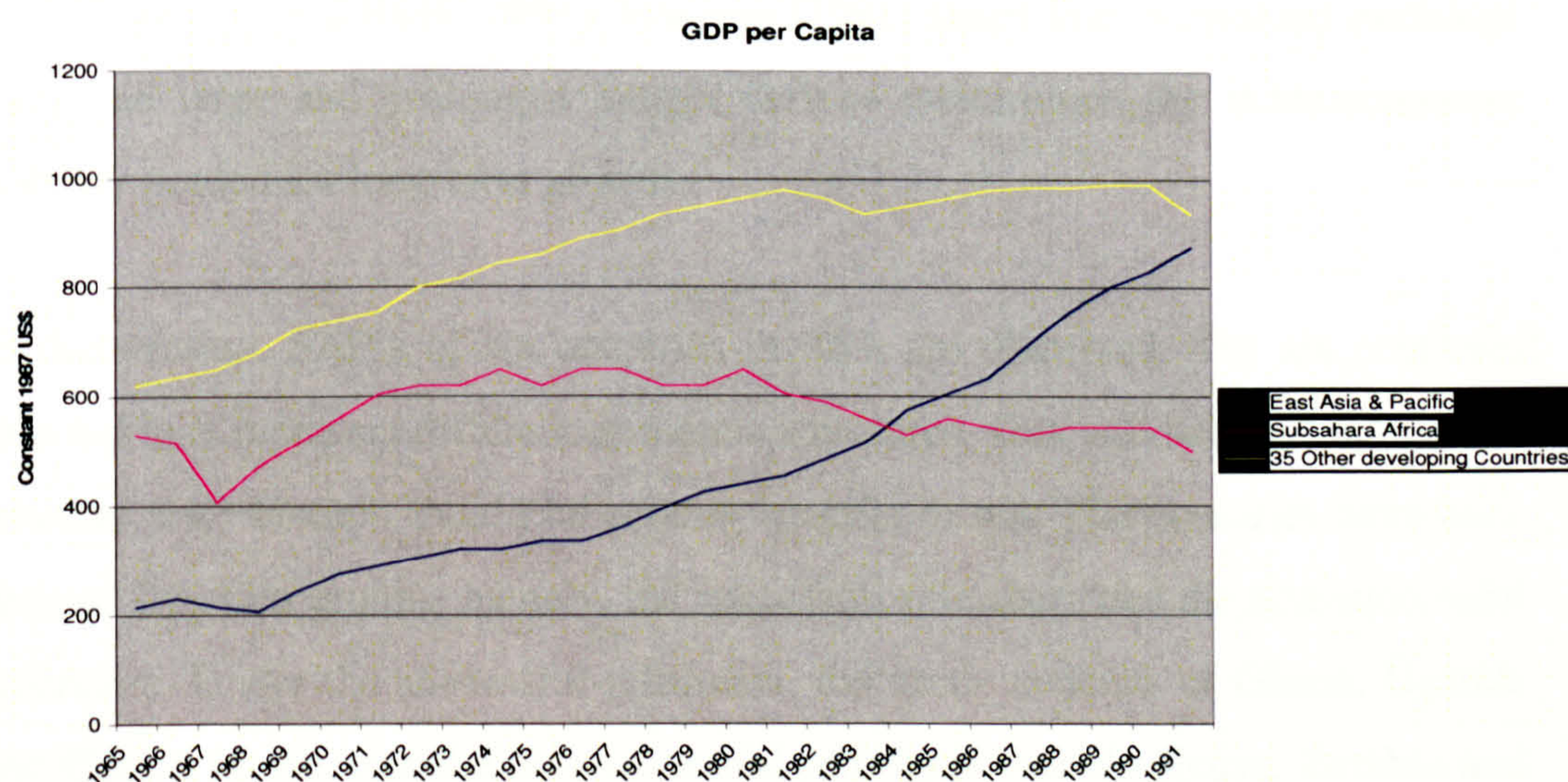
The whole world knows that the SSA nations and their over 650 million people have suffered a bitter and persistent social and economic crisis, especially during the 1980's (Asante, 1991). SSA's economic growth, never spectacular, has been the weakest among developing regions (see Figures 2.3 and 2.4) (World Bank,

**Figure 2.3**





**Figure 2.4**



Source: World Bank (1994). *Adjustment in Africa*. A World Bank Policy Research Report. p.p 18-19. Oxford University Press

1994). Agriculture, particularly important for SSA's growth, did worse than other sectors (Stein and Howard, 1992). Between 1965 and 1980, agricultural growth rose only 2% a year – less than the rate of population growth – and between 1981 and 1985, it fell 0.6% per year (World Bank, 1994). Compare that with agricultural growth of 3.2% a year in East Asia, 2.5% in South Asia and 3.1% in Latin America.

Over forty SSA countries have undertaken, in the past two decades, wide-ranging economic reform measures in the context of the SAPs under the tutelage of the IMF and WB. The main emphasis of these reforms has been on trade liberalisation. These reforms have lowered trade barriers but the broad-based development that was expected to ensue has remained elusive. Indeed, empirical studies show that industrial growth has fallen behind GDP growth in SSA since the 1980s with de-industrialisation in a number of African countries being associated with trade liberalisation.

There is no single explanation for SSA's poor performance before the adjustment period. The main factors behind the stagnation and decline were poor policies – macroeconomic and sectoral – emanating from a development paradigm that gave



the state a prominent role in production and in regulating economic activity, observed the World Bank (1994). Mwanza (1991) stated that overvalued exchange rates and large and prolonged budget deficits undermined the macroeconomic stability needed for long-term growth.

In this section, SAP's of six countries in SSA are discussed. The six countries selected here represent different economic structures. This will help in finding out whether SAP Models should be country specific or not. The countries have been divided into two groups, namely, the successful reformers and the non-successful reformers. Under the successful reformers, the group consists of Ghana, Uganda and Cote d'Ivoire, and the non-successful reformers include Kenya, Zambia and the Democratic Republic of Congo.

For the six countries the literature review will cover the following areas:

- i. pre-independence era
- ii. post independence era
- iii. links of foreign aid and policy reforms
- iv. political economy and country background
- v. economic performance
- vi. why reforms were necessary
- vii. history of the reform programme

The literature search on SAP's on the six countries and Zimbabwe will go up to year 2000 and not beyond. This is the point where most countries ended their second phase or attempt at SAP's. Lincoln and Guba (1985), comments that a writer should have a firm termination date in mind for the research. This is not the date by which the research report/thesis will have been completed, but the date beyond which events reported and interpreted in the thesis will no longer be changed.

Zimbabwe as the main case country in this research study will be looked at in greater detail. But the literature search format used will be the same as for the six countries.



**Figure 2.5 Sub-Saharan Africa.**



*Please note that the area shaded yellow forms the SSA countries.*

### 2.11.1 GHANA



A significant body of work in recent years has focused on the links between foreign aid and economic performance by countries (van der Walle and Johnston [1996]; Dollar and Burnside [1998]; World Bank [1998]; Dollar and Svensson [2000]). Researchers have explored the role that different types of aid play in reform, that is, financial versus non-financial aid, policy-based versus unconditional aid. They have also studied how to maximise aid effectiveness and the role of donors in achieving that goal. Holmgren (1998) states that recent cross-country evidence has shown that foreign aid has strong, positive effect on a country's economic performance if the country has undertaken certain policy and structural reforms. He goes on to say that evidence shows that aid in general has not been going to countries that have undertaken these reforms. Donors give less assistance to countries with good policies than to ones with poor or mediocre policies, Holmgren (1998) concludes.



Ghana's experience with foreign aid does not match the conclusion above and during the eighties when it undertook far-reaching economic reforms, it was not only a prominent recipient of aid but also one of most successful adjusters (Tsikata and May, 1999). Ghana is thus particularly interesting in understanding why countries choose to reform and why aid seems to have been associated with better economic performance there.

At independence in 1957, Ghana was one of the brightest stars in Africa. It enjoyed the highest per capita income on the continent and had a well-earned reputation for a comparatively sizeable and well educated middle-class (Tsikata and May, 1999). Economic growth was respectable, averaging four percent during the sixties (Abbey 1989). This growth was heavily driven by Ghana's most important export - cocoa, which accounted for about 70% of foreign exchange earnings (Abbey 1989). The country was the world's largest producer of cocoa, averaging about a third of world supply in the late fifties (Killick, 1978).

Heavy government intervention in the economy after independence however, adversely affected the economy. The role of the public sector was greatly enlarged on both the productive and distributive sides. Prime Minister Kwame Nkrumah carried out more deregistered policies and in 1961 he officially introduced socialist state-led planning (Chazan, 1983). Deteriorating terms of trade compounded the impact of these policies. Between 1959 and 1965 the world market price of cocoa fell substantially; the 1965 price was only 40% of the 1958 level (Tsikata and May 1999). Dollar and Burnside (1998) state that because of all these factors, large fiscal deficits emerged, the balance of payments deteriorated significantly and the economy took a nosedive.

Following a military coup d'etat in February 1966, a new economic team was put in place and attempts were made to reform the economy.

The country opened negotiations with the IMF, reaching agreement on a standby arrangement in March 1966 (Dordunoo and Nyanteng, 1997). Dordunoo and Nyanteng (1997) noted that the currency was devalued by 43% in July 1967, public

expenditure was reduced and the activities of public enterprises were streamlined or eliminated. To address balance of payments difficulties, import controls were rescheduled.

During this period there was a marked improvement in the terms of trade and the government was able to reduce significantly the number of goods on the negative list for imports (Tsikata and May, 1999). But in 1971 the world price of cocoa fell and therefore rapid import liberalization was no longer affordable (Chazan, 1983). Both the final and the capital accounts deteriorated. In late 1971, the Cedi was devalued by 44% in an attempt to improve the balance of payments position (Dordunoo and Nyanteng, 1997). Whether this would have achieved that objective was never to be known because less than a month after devaluation there was another military coup d'état on January 13, 1972.

The new regime re-introduced and intensified the earlier misplaced policies under the First Republic. The currency was re-valued the currency by 26%, completely at odds with the indications from the parallel market (Dordunoo and Nyanteng, 1997). They imposed stringent import controls, introduced additional price controls and unilaterally suspended foreign debt servicing (Tsikata and May, 1999).

While favourable terms of trade initially resulted in good economic performance, by 1974 economic decline and rot had begun to set in. According to Tsikata and May (1999), the consumer price inflation sky rocketed, rising from 9.6% in 1972 to 772% in 1977. As the exchange rate continued to be fixed, the Cedi was increasingly overvalued, discouraging exports. Ghana experienced continued stagflation in the second half of the seventies.

Inflation worsened and reached 77% by 1981. Production had contracted in all sectors of the economy. Cocoa exports which were Ghana's leading foreign exchange earner had declined in part due to the absence of basic transport infrastructure to move the harvest to the ports (Frimpong-Ansah, 1992). Under these circumstances it was not surprising that the coup d'état of December 31, 1981 took place.



Following the coup the government was quick to recognise the seriousness of the situation. But it was less quick to act. Herbst (1993) noted that there was internal tug-of-war at the time between various supporters of the regime over the direction of economic policy. When the struggle was over a far-reaching programme of economic stabilization and reform was introduced. For the rest of the eighties into the nineties Ghana continued to reform its economy and indeed became a leading example of a successfully adjusting country concluded Tsikate and May (1999).

Tsikata and May (1999) found five of factors which were relevant in explaining why the government chose to reform when it did in 1983. The first two factors explain the immediate impetus for reform while the last three explain the political dynamics that gave the government needed political space to carry out the reforms.

1. There was undoubtedly a liquidity crisis. Foreign exchange reserves, trade credit and medium term financing had all dried up by the early 1993.
2. Drought and bush fires, as well as the return of over one million Ghanaian citizens expelled from Nigeria in early 1983 compounded this liquidity.
3. Not many alternative approaches existed that would generate the financial resources necessary for the economy's recovery. Few citizens needed to be convinced of this fact; for the average citizen who had already suffered over a decade of economic hardship, it was clear that the old order had failed.
4. The government had credibility with interest groups that may have created difficulties for the government. Notably the trade unions and students. These groups were sympathetic and in essence gave the government a policy honeymoon. Other political opposition, both from within and outside had either been eliminated or was demoralised.
5. The crisis of the returnees (from Nigeria) created some national unity. Importantly it gave the regime some political cover to take the WB and IMF loans, which were presented as contributing to the government own efforts to deal with the crisis.

The economic reform in Ghana can be classified and summarised into three main periods (Tsikata and May, 1999):

### **Successful Stabilization (1983-1986)**

The Economic Recovery Programme (ERP), supported by the WB loans and three IMF stand by arrangements was the first comprehensive economic policy package in over a decade. The objectives of the ERP were as follows (National Programme for Economic Development, July 1987):

- reversing the long decline in production of goods and services by re-aligning relative prices in favour of production and away from trading and rent-seeking activities
- reducing and stabilising the inflation rate
- reducing the large budget deficits and improving the fiscal position of government more generally
- rehabilitating social and economic infrastructure
- eliminating smuggling and black market activities with respect to the currency
- re-aligning the currency (the Cedi) with major currencies

### **Structural Adjustment (1987-1991)**

The SAP, also known as Economic Recovery Programme II, was a follow-up intended to focus on more deep-seated structural issues in the economic recovery. Specifically the objectives of the SAP were to:

- sustain economic growth at between 5 to 5.5% a year over the medium term
- increase the level of public investment from about 10% of national income to about 25% by the end of 1989
- increase domestic savings from about 7% at the end of ERP I to about 15% at the end of the decade
- further improve the management resources in the public sector
- effectively mobilise the resources thus generated to improve the overall well being of the people of Ghana, particularly the underprivileged, deprived and the vulnerable

### **Oscillating Policy Reform (1992-1997)**

This period marked the first major interruption of lending by the multi lateral institutions in two decades. Between November 1992 and mid-1993 Ghana's



adjustment programme came off-track and the WB suspended disbursements. Fiscal dislocation associated with large (80%) wage increases awarded to civil servants before 1992 multi-party elections primarily accounted for the derailment of policy. The immediate effect was the emergence of a fiscal deficit of about 5% of GDP in 1992 from a surplus of 1.5% in 1991 as money supply increased by more than 50%.

### **2.11.1.2 Lessons for Zimbabwe.**

The following issues should be taken into account by Zimbabwe when it strategises its economic reform programmes:

- Heavy government intervention in the economy after Ghana's independence adversely affected the economy due mainly to the greatly enlarged public sector on both the productive and distributive sides.
- President Kwame Nkrumah introduced a socialist state-led planning which did not benefit the economy in any way.
- The reliance on one major export commodity, for example, cocoa in the case of Ghana, does not auger well for economic planning.
- The cocoa exports declined in part due to the absence of basic transport infrastructure to move the harvest to ports.
- Unstable governments and frequent coups d'etat as experienced in Ghana are not good for economic development.

### **2.11.2. UGANDA**



Uganda's development during the last 20 years makes a most fascinating case. For an analysis of the causes of policy reform and the links between aid reforms. Starting from an unstable, uncertain and insecure economic situation the country has managed to develop a successful reform programme

(Holmgren, Kasekende, Alingi-Ego and Ddamulira, 1999)

Muhumuza (1997) observed that though it is a fact that external factors have played a role in the economic deterioration of the Ugandan economy. It would be a mistake to



isolate them from the inappropriate domestic policies that compounded the problem. The World Bank (1988) similarly contends that the economic crisis experienced in developing countries is explained by deteriorating terms of trade, high interest rates and falling capital inflows, which combined with inappropriate domestic policies.

Legget (2001) noted that within four years of achieving independence in 1962, Uganda experienced the first of a series of political catastrophes that would make it one of the poorest nations in Africa, and a byword for economic mismanagement, incapable leadership and the abuse of human rights.

The then government of Milton Obote embarked on the “Move to Left” philosophy which meant adopting a socialistic ideological orientation that put emphasis on nationalisation of foreign investments (Muhumuza, 1997). This, Muhumuza (1997) stated that, increased the role of the government in the economy at the expense of the private sector. The ideological shift was ill timed, given the fact that the Cold War was at the climax as exemplified by the sharp division between the Eastern and Western blocks. The act irritated the Western countries and was a blow to foreign investment. The situation was exacerbated by the Amin era where Asian investors were expelled and their properties expropriated (Getubig, 1992). All these incidents combined with mismanagement of the economy and political instability completely paralysed the economy.

Uganda’s experience with SAP’s is paradoxically intriguing. On one hand it has led to economic growth averaging a rate of 6% of GDP per annum for more than ten years (Muhumuza 1997). This “star” performance has somehow rehabilitated Uganda’s name internationally as an economic success story in Africa (Killick, 1991). But, observed Elleyne (1995), this however is disputed by the opposition politicians who argue that it is cosmetic. The politicians assert that this growth is a temporary recovery that will subsequently stagnate like in other developing countries because of the capitalist global economy.



### **2.11.2.1 Economic Policy over the Period 1980-1985**

Development finance literature links economic performance measured in terms of GDP growth to a healthy and vibrant financial sector (McKinnon, 1973). Holmgren et al (1999) found out that the link between the financial and real sectors in Uganda has been weak. They say that this was largely attributed to the weakness in the financial sector itself, poor credit culture among the borrowers and the financial repression, which existed during the 1970's and 1980's.

Arising from this, economic performance deteriorated with real GDP declining by 10% between 1984 and 1985 (World Bank 1998). Inflation bounced back from double in 1984 to triple digit levels by 1985. The overvalued exchange rate reduced the export base to a single export that is coffee; and in addition the import volumes also declined reflecting the reduced capacity of the economy to finance imports even for the essential intermediate goods and spare parts (Tumusiime-Mutebile, 1995). This was also compounded by lack of commitment on the part of government to institute fiscal and monetary policy reforms to curb inflation, improve public service delivery and allocate resources to productive enterprises (IMF. 1995).

### **2.11.2.2. Economic Policy over the period 1986-1998.**

A new government took over in January 1986. The government invited a team of international economists and a number of influential local academics, individuals and businessmen to carry out an in-depth study of the economy and advise on the most appropriate path for re-starting economic growth (Fry 1995). Several models were presented and government initially chose a closed model and opted for a revaluation of the Uganda shilling (World Bank 1998). This was done despite opposition from people who strongly believed that such a strategy would fail.

Macroeconomic imbalances in the meantime intensified and all indicators were pointing to a further deteriorating in the economy. It then became evident that the closed model was doomed to fail (IMF 1995).



Faced with these acute economic problems dialogue with IMF and the WB was resumed. The government sought their assistance in designing and implementing an Economic Recovery Programme (Fry 1995).

In May 1987 the government decided to start an Economic Recovery Programme supported by IMF and the WB that had the following broad objectives (World Bank 1998):

- Economic growth of at least 5% per annum in order to permit a growth of real GDP per capita of at least 3% per annum which was to be achieved through improved agricultural produce incentives agricultural produce marketing and increased industrial capacity utilization.
- Restoration of price stability.
- Halting and reversing the deterioration in the balance of payments through restructuring of debt export production and increased capacity utilization in the import substitution industries.
- Strengthening the institutional framework.

In 1989 the government convened a consultative conference to critically discuss Uganda's economy. Maybe the most important outcome of the meeting was the widespread support, including the President, for the economic reforms which emerged (IMF 1995).

The major results following the adoption of the economic reform programme between 1987 and 1991 included (Lamont, 1995):

- Lowering of the inflation rate from an average of 91% to about 21% by 1991
- GDP growth rate was revived to an average of 6.3% over 1988-1991.
- Slow recovery made in exports and in private and public sector investment.

There was a slippage in the reform programme in the financial year 1991/92 caused by the excessive growth in domestic credit (World Bank 1998). This stemmed from weakness in monitoring the programme and failure to take appropriate remedial measures as the problems emerged.



The following lessons were drawn from the slippage (Holmgren et al 1999):

- the increasing dependence of the budget on foreign savings
- the need for a tool to make the budget flexible
- the need to widen the range of instrument in economic management particularly monetary policy instruments
- the need to move faster into market oriented policies

The lessons (which Zimbabwe should do well to take heed of) from the slippage turned out to be an opportunity to re-assess the policy environment and led the government to reform the management of its fiscal and monetary policies. Consequently over the period 1993-1998 the management of the economy was largely dictated by lessons drawn from the slippage (Tumusiine-Mutebile, 1995).

The results were quite satisfactory and they include (Holmgren et al 1999):

- increased private sector investments in Uganda from 9% of GDP in 1991/92 to 13% in 1998/99
- growth rate of real GDP increased to an average of 7.6% per annum
- inflation declined to 8% down from 190% over the period 1987-1991
- current account deficit was narrowed from 6% in 1992 to 4% in 1996, measured as current account deficit /GDP (including grants)
- monetary deepening was experienced from 8.2% in 1992 to 11.7% in 1996
- foreign exchange cover measured in terms of months of imports cover increased from 2 to about 5 months

All the measures above resulted in lower inflation levels and satisfactory growth rates as shown below:

**Table 2.2 Inflation and Growth in Uganda 1980-1996**

Period	Average inflation %	Average GDP growth %
1980-84	60	3
1985-89	160	9
1990-94	25	1
1995-97	15	0.5

Source: *Tumusiine-Mutebile, 1995*



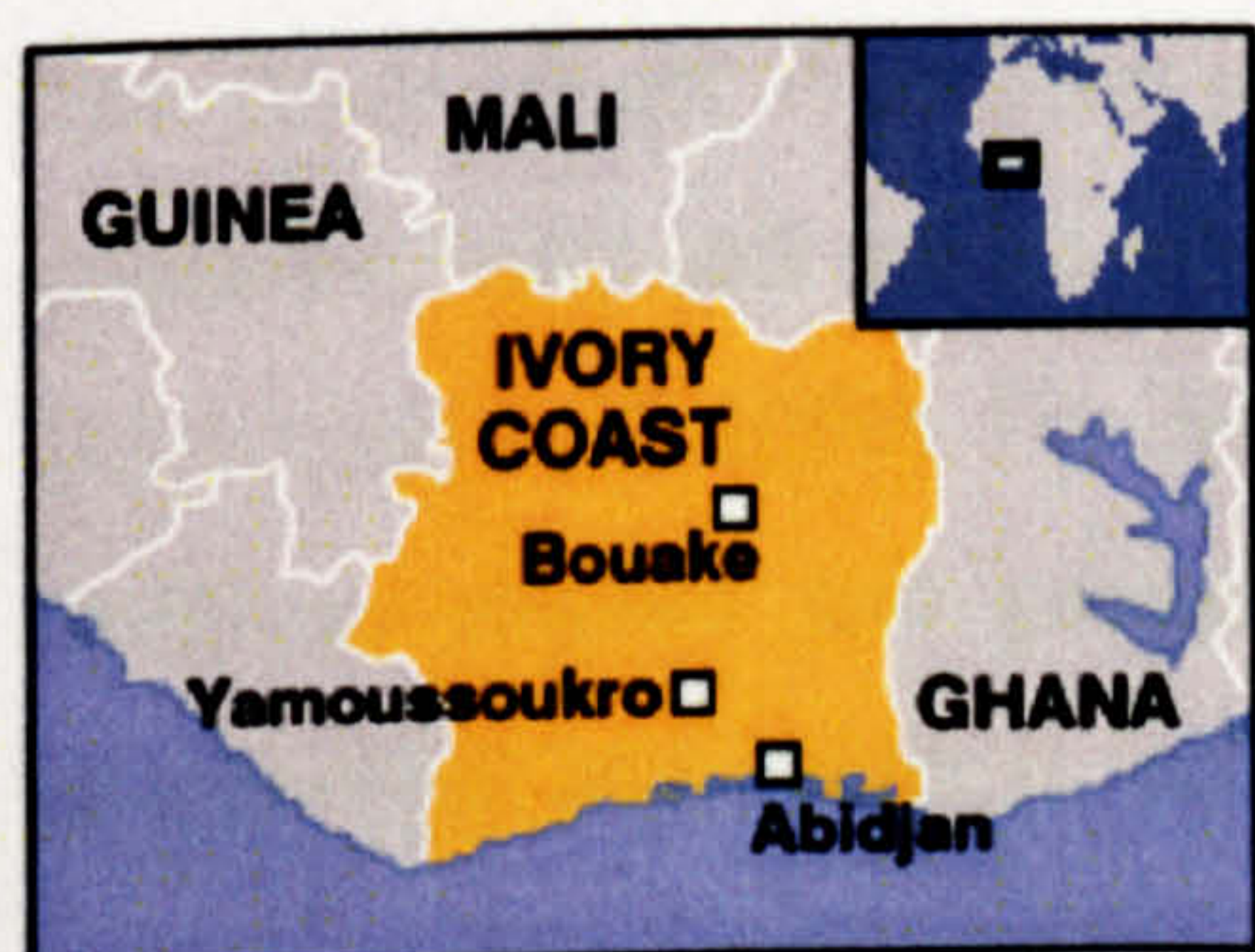
Most Ugandans are self-employed, mainly in agriculture. This gives the economic reform initiative a central role in poverty eradication. Despite the constraints of limited technology and market access in Uganda, the potential of raising agricultural incomes is considerable (Ministry of Finance, Planning and Economic Development, 2000). Uganda's Plan for the Modernisation of Agriculture (1999) identifies six core areas for public action in agriculture:

- research and technology
- advisory services
- education for agriculture
- access to rural finance
- access to markets
- sustainable natural resource utilisation and management.

### 2.11.2.3 Lessons for Zimbabwe

- Economic mismanagement, incapable leadership and abuse of human rights are a recipe for economic decline and collapse.
- President Milton Obote's Uganda also adopted a socialistic ideology that put emphasis on nationalisation.
- It is imperative, as Uganda did in 1982, to invite and involve economists, influential local academics, individuals and academics to carry out an in-depth study of the economy and advise on the most appropriate path for re-starting economic growth.
- Government officials from Uganda were sent on training to Ghana on study tours to prepare them for reform programmes.

### 2.11.3. Republic of Cote d' Ivoire (RCI)



The RCI (Ivory Coast) is one of the most reformed countries on earth, judging by the time given to it and the scope of its reform efforts (Berg, Guillaumont Pegatienan and Amprou, 1999).



Reform programmes have been present during most of the past two decades. Between 1980 and 1998 the RCI signed nine agreements with the IMF and received twenty-two policy loans from the WB (World Bank 1998). Other donors also financed numerous policy loans. Big sums changed hands. The WB disbursed approximately three billion US dollars in 1999 on policy loans, the French government and the European Union hundreds million more (World Bank 1998). Between 1994 and 1997 the RCI was the WB main policy reform customer, it received more than one third of all the adjustment loans made by the Bank in SSA (World Bank 1998). It is hard to think of a single major policy area sector or institution in the RCI that has not engaged in some reform operations (Berg et al 1999).

In the RCI trade liberalisation was not adopted in reaction to political demands by political elites or local interest groups. The prevailing political sentiment among decision makers was to resist these reforms. They were adopted under pressures of a severe financial crisis caused by a decline of world prices of cocoa and coffee and of world demand for exports, losses of foreign exchange and fiscal revenues, and heavy debt burden (Berg et al 1999).

President Boigny stayed in power for forty years. This long political tenure had advantages and disadvantages. The advantages were linked to the fact that his policies were deemed appropriate, given the structure of the economy. Agriculture was made a priority activity; peasants received substantial shares of world prices (Alesina and Dollar, 1998). The public investment financed by agricultural revenues created the basic physical and human capital necessary to support productive activities (van de Walle and Johnston, 1996). These policies were implemented for a sufficiently long period with a strong political will and commitment that gave them credibility (Berg et al, 1999).

The disadvantage of the long political tenure lay in the fact that the government over-extended itself and public investment programmes were too ambitious for too long (Homlgren et al, 1999). For decades President Boigny who controlled every economic decision, resisted and postponed needed reform. He was a fierce opponent of devaluation and there is no question that his long illness and eventual death



(December 1993) facilitated the decision to devalue the CFAF, reform the CAISTAB, and launch the privatisation spree (Chang et al, 1998).

### **2.11.3.1. The history of the RCI's economic performance (Berg et al, 1999):**

#### **a) 1960-1977**

The years were marked by high GDP growth (6-7 percent a year) and general prosperity. Terms of trade were favourable and stable and surpluses derived from export revenues financed a high level of public investment. The 1973 oil shock did not slow down growth because the prices of cocoa and coffee rose simultaneously. Record prices were achieved in 1976-77. This improved the rate of public investment financed by the increased revenues of the CAISTAB as well as by foreign borrowing.

#### **b) 1978-80**

In 1978 there was a significant devaluation of the economy as a consequence of the fall in public investment due to the decline of the prices of cocoa and coffee. Inflation rose because of higher import prices caused by the 1979 oil shock and a parallel expansion in the money supply. The rise in domestic inflation contributed to the appreciation of the real exchange rate. The demand driven growth pattern came to an abrupt end (Hopkins, September 1989). Debt service became so heavy so that the government was forced to call on the Bretton Woods institutions for financial assistance.

#### **c) 1981-86**

During this period the economy was stabilized but with recession. The major economic problems faced by the country were over expansion of the public sector with the consequence of declining public service savings and rising external debt, a large and ill conceived public investment programme, distortions in the structure of price incentives for agricultural products and excessive protection in industry with induced high costs and low export incentives. These trends led to the erosion of the competitiveness of the economy over the 1970's.

Despite terms of trade deterioration early in the decade and a drought in 1983, internal balance was restored and competitiveness improved as a result of depreciation of the



real exchange rate (the devaluation of the French Franc), and tighter fiscal and monetary policies. In 1984 and 1985 exports increased, the current account moved into surplus, and the growth rate picked up. However, the debt burden increased as well. The ratio of foreign debt to GDP that year increased to 84% from 41% in 1980. In 1986, the real growth of the economy was still positive though lower than population growth.

#### **d) 1987-1994**

Onayogode and Pegatienan, (July 1994) observed the following points during this period:

- The RCI struggled to avoid bankruptcy (the improvement made in the 1981-86 period were short-lived).
- The terms of trade deteriorated in 1987 due to the falling US dollar and declining prices of cocoa and coffee.
- Growth rate fell, the public investment/GDP ratio fell, and the current account was in deficit because of the large interest payments on public debt. The government failed to service its debt in May 1987.
- No financial assistance came from the WB in 1988 because of the absence of an agreement on a macro economic framework

In 1989 President Boigny tried to influence world prices by keeping crops off the market (World Bank 1998). This did not work. He had to admit that he had lost the cocoa/coffee battle and he had to cut producer price by half.

Despite these conditions, the IMF and the WB continued to provide help for stabilization and SAPs without devaluation. But the implementation of these programmes proved very difficult.

#### **e) 1994-98**

The RCI devalued its currency by 50% in 1994. The aim was to improve the internal and external competitiveness of the economy (World Bank 1999). Export promotion was a prominent item in the reform initiated by the devaluation package, with the private sector playing the major role in the new export promotion agency (APEXCI) (Berg et al, 1998). Critical reforms were also implemented in the agricultural sector.



The role of CAISTAB in internal and external marketing of cocoa and coffee was drastically reduced to increase private sector participation and improve the transparency of the external marketing system. The significant change was an auction system for export rights. Rojas (1997) claims that this reform gave rise to unanticipated problems involving overbidding and concentration of export rights on a few exporters. The rice marketing was also liberalized after a difficult dialogue about imports of broken rice (World Bank 1998). Many in government feared that unfettered import of broken rice would undermine the domestic rice sector.

The positive real growth obtained after devaluation was a dramatic change of comparison with the desperate pre-devaluation situation. The recovery is still fragile and poverty issues have only begun to be addressed. According to WB poverty assessment (1997) the rate of head count poverty increased from 11% of the population in 1985 to 31% in 1993 and 37% in 1995. The last figure is contested and the four years of 5-6% growth since 1995 undoubtedly improved the situation.

From 1989-1993, per capita GDP fell by 15%, pushed along by the over-valuation of the exchange rate and deterioration in terms of trade (External Review August 1997). The social impact of IMF structural adjustment on RCI was severe. Naiman and Watkins (April, 1999) noted that between 1988-1995, the incidence and intensity of poverty doubled, with the number of people earning less than \$1/day increasing from 17.8% of the population to 36.8%.

### **2.11.3.2 Lessons for Zimbabwe**

- Although President Boigny was a dictator he made agriculture a top priority activity. Peasants received substantial shares of world prices. The President, himself a grower, attached a great value to the maintenance of prices paid to producers. This resulted in the improvement of living standards of the small scale farmers.
- Dictators and staying in power for a long time (forty years for President Boigny) results in government over-extending itself and public investment programmes becoming ambitious for too long.



- By devaluing, in 1994, the RCI improved significantly the rate of effective protection of the economy. Many governments tend to resist devaluation.

#### 2.11.4. Kenya



Measured against most of its neighbours (Somalia, Ethiopia, Sudan, Uganda, DRC and Rwanda) Kenya has enjoyed stability and relative peace since Independence in 1963 (Sayer, 1998).

This section focuses on the time period 1980-2000, the period which the government of Kenya has been engaged more or less continuously in implementing a programme of structural adjustment reforms, with financial support from the WB, IMF and other multilateral and bilateral donors.

##### 2.11.4.1 Road to Structural Adjustment

President Jomo Kenyatta led Kenya for the first 15 years after independence. The Kenyatta government rapidly Africanized the civil service and other public sector appointments in order to consolidate national sovereignty (O'Brien and Ryan, 1999). Swamy (1994) notes that since the President's tribe, the Kikuyus had been the major beneficiaries of education and employment in the formal sector during the colonial period they were the logical candidates for appointments to public sector jobs. The new government in the allocation of agricultural land and credit also favoured them. Other tribal groups attempted to organise opposition parties but these either failed or were suppressed; by 1969 Kenya had become a de facto single party state (Nelson, 1990).

At the time of Kenya's independence most newly independent African countries were following the path of "African Socialism". Kwame Nkrumah the president of Ghana at independence defined "African Socialism" as demolishing what he termed the miserable structures of colonialism which brought about poverty, ignorance, disease and illiteracy to the African people, and raising in its place an edifice of economic stability, thus creating a veritable paradise of abundance and satisfaction in Africa (Meredith, 2006). The Kenyan government accepted the label, but opted for a mixed



economy which was more market based, supportive of the private sector, and open to foreign investment than was the strict socialist model followed in other African countries such as Tanzania (O'Brien and Ryan, 1999).

The colonial government had supported the creation of institutions specifically designed to deliver benefits to the settler community. These included public agencies established to control (and sometimes subsidize) economic activities such as the Maize Board, Wheat Board, Dairy Board, Tea Board, Meat Commission, Pyrethrum Board and producers' organisation established to interact with the government in the interest of their constituents such as the Kenya Farmers' Association and the Kenya Cooperative Creameries (Barkan 1992). Following independence these public institutions were maintained and the private associations or cooperatives were converted into quasi-public bodies (Barkan, 1998).

The Kenyan economy performed well over most of the 1964-80 period. The growth rate of GDP averaged 5.8% per annum in 1965-73 and 5.3% in 1974-80 (World Bank 1994). The agricultural sector grew at nearly 5%, with growth based primarily on smallholder farmers who benefited from the conversion of former colonial estates to African ownership (Barkan, 1994). Between 1962 and 1976 almost 2 million hectares were purchased from former white settlers and transferred to African ownership (O'Brien and Ryan 1999). The manufacturing sector expanded at 10% per annum funded by the growth in domestic rural incomes and the expansion of exports to Tanzania and Uganda under the common market created by the East Africa Community (EAC) (World Bank 1994).

Economic growth slowed in the mid 1970s, to an average of 3.4 percent per annum in 1973-1976. Barkan (1992) states that one of the principal causes was the negative impact of the five-fold increase in oil prices in 1973. Then in the late 1970s, further severe economic shocks adversely affected Kenya's economic situation and prospects for the future. The first was the boom/burst cycle in coffee and tea prices in 1976-79, which sparked a ratcheting up of both consumer and government spending in the boom (O'Brien and Ryan, 1999). In 1975/76 the fiscal deficit rose to 9.5% of GDP.



The break up of the EAC in August 1977 set back the economy (Barkan 1984). A further contributing factor was the second oil shock of 1979.

#### **2.11.4.2. Agricultural Pricing and Marketing**

Another important area of Kenya's adjustment programme was the attempted reforms of agricultural pricing and marketing. This has been perhaps the most difficult and contentious area of policy reform throughout the entire period of the structural adjustment, the area of economic policy which has created the most misunderstanding and ill-will between donors and government, and probably the area where the gap between agreed policy conditions and implementation has been the greatest (O'Brien and Ryan 1999). Many of these evolved from organisations created in the colonial period, such as the Wheat Board, which were established to serve the interest of the large-scale settler farmers (Barkan 1984). The most deeply entrenched of all these institutions has been the National Cereals and Produce Board (NCPB) established in 1979 as the successor to the Maize and Wheat Boards, which has been for many years the monopoly buyer of maize the basic food grain of the Kenyan diet, produced by large, medium and small scale farmers (Swamy1994). In order to maintain "affordable" prices for urban consumers the government subsidized the price of maize in urban markets, in effect covering NCPB's losses in purchasing, storing and marketing maize and smaller amounts of wheat and other food crops (O'Brien and Ryan 1999). Despite these problems, NCPB made every effort to assure prompt payment to large-scale farmers in order to maintain their political support (Barkan 1984). But the small-scale farmers were made to wait for months for payment and this forced some of them to pay bribes to get payment from NCPB or sell their produce at a distress price to large-scale farmers (Barkan 1992). This was often a critical problem for poor farmers, who needed immediate cash to purchase inputs, pay debts, purchase other foodstuffs and pay school fees.

Both the WB and the government have been criticized for the failure to achieve meaningful reforms in cereals marketing during most of the SAP period (O'Brien and Ryan 1999). Collier, (1997:60) comments, "Consider, for example, the astonishing story of relations between the government of Kenya and the WB. During a fifteen year period, the Government of Kenya sold the same agricultural reform programme to the



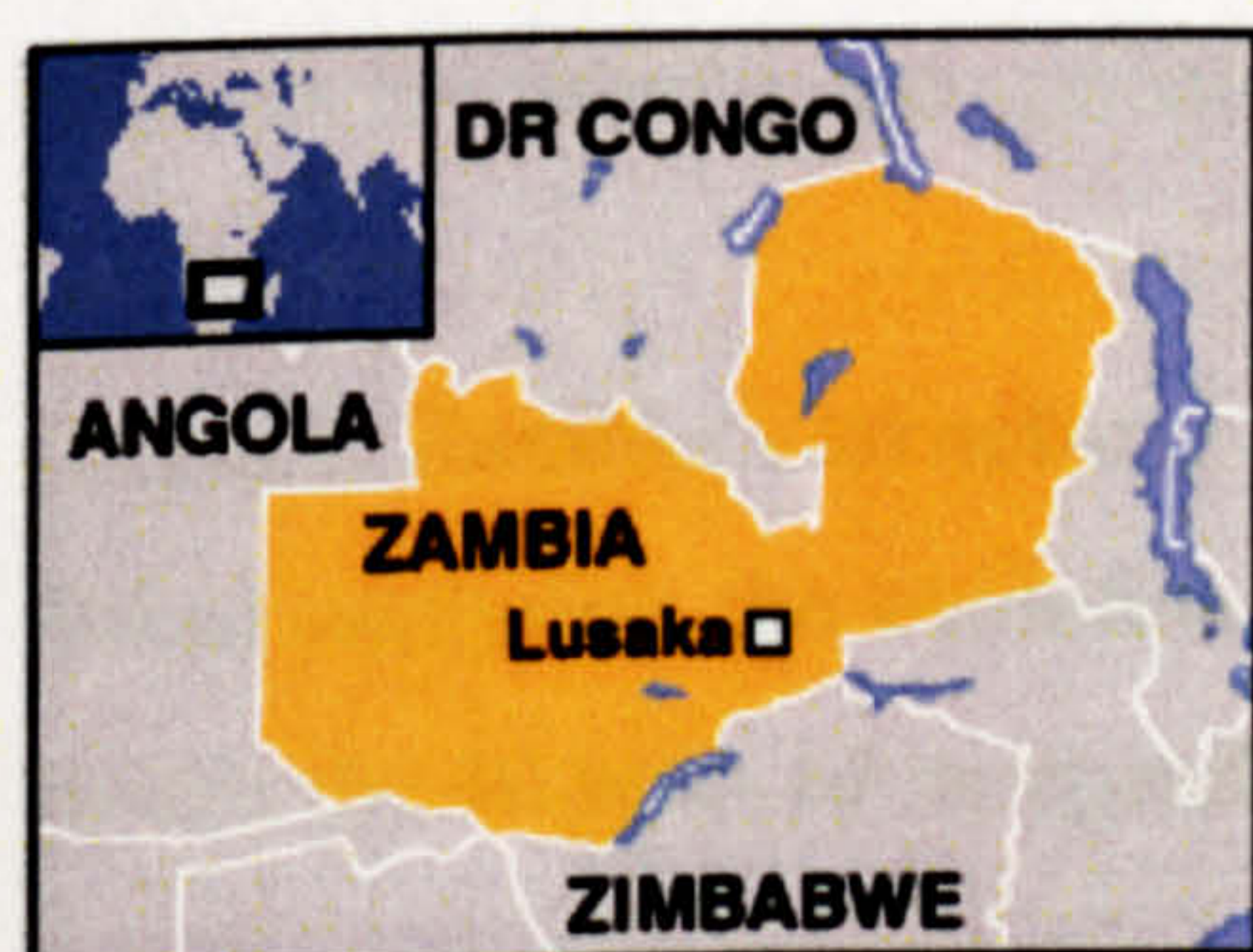
WB four times, each time reversing it after the receipt of the money”. Since 1992 some progress has been made in opening up the cereals trade to private traders and in reducing the role of NCPB. But it is legitimate to ask whether the final achievement is commensurate with efforts expended over so many years by the WB and reformers within the Kenyan government.

The economic results from almost twenty years of structural adjustment in Kenya must be considered disappointing. There have been periods (1985 – 90 and 1994 – 1996) of reasonable recovery and respectable GDP growth, but overall the economic record has been mediocre (Mosley 1996). Structural adjustment has failed to create the conditions for a sustained recovery of GDP growth to the levels attained in the 1960’s or early 1970’s. Even more worrying, with the slow growth of the economy, poverty has been increasing and social indicators (that is, life expectancy, child mortality, primary school enrolment among others) have shown negative trends in recent years (O’Brien and Ryan 1999).

#### **2.11.4.3 Lessons for Zimbabwe**

- Kenya opted for a mixed economy which was more market based, supportive of the private sector and open to foreign investment than was the strict socialist model followed in other African countries.
- Kenyan government was not serious with economic reform programmes; it was half-hearted to reform change.
- Kenya’s agricultural sector grew at nearly 5% with growth based primarily on smallholder farmers who benefited from the conversion of former colonial estates (farms) to African ownership.

#### **2.11.5. Zambia**



An economic structure has evolved since the late 1890’s, which has made Zambia very dependent on a single export commodity (copper) whose earnings are characterised by a high degree of instability



(Mwanza, Mwamba and Kakuwa 1992). Baldwin, (1966) states that during the immediate post-World War II era, copper mining transformed the country into a rapidly growing economy. This was because the international price of copper rose, though erratically, and reached the highest level in 1955. It should be noted here that, in 1953, the Central Africa Federation, grouping the territories of Southern Rhodesia, Northern Rhodesia and Nyasaland, was formed. This had a bearing on the economy of Zambia in later years. Mwanza et al (1992) noted that nationalists in Northern Rhodesia opposed the formation of this Federation, since it was mainly designed to benefit Southern Rhodesia and South Africa. Funds amounting to £70 million are indicated to have been diverted between 1953 and 1964 to Southern Rhodesia from Northern Rhodesia (Mwanza et al, 1992). Industrial and infrastructural development was concentrated in Southern Rhodesia with the North serving as a market (Chakaodza 1993). In fact, Northern Rhodesia provided the largest portion of the Federal Government's income tax revenue, except during the years 1958 and 1959 (Hazelwood, 1967 page 209; UN/ECA/FAO Economic Survey Mission, 1964, pages 9 – 13).

By the end of the colonial era, the basic structure of the Zambian economy had been established (Mwanza, April 1991). On one hand, there was a thriving export enclave based on the exploitation and export of copper. Chakaodza (1993) observed that upon achieving independence on 24th. October 1964, the country inherited a relatively sound economy, albeit solely on account of earnings from the export of copper. The development of mining also spearheaded the development of a small, but vigorous manufacturing sector. But in the rural areas, there were a lot of contrasts. The line of rail regions was host to a thriving agrarian capitalist sector based on the production and export of a few crops (Mwanza 1988). These farmers (Mwanza 1988) were propped up (subsidised) by colonial government intervention. Alongside these farmers (white) was an undeveloped peasant sector which served mainly as a labour reservoir for both the mining and agricultural sectors (Mwanza, et al 1992).

#### **2.11.5.1. Zambia's structural adjustment venture**

When analysing the evolution of Zambia's structural adjustment ventures, one can divide the 40 years of independence into two major periods: 1964 to 1974 and 1975 to



1999. The first period saw copper price rise and contributed to high mining industry profits and thus to government revenues. When the copper prices started to decline in the early 1970's a decumulation of government revenue was noticed (Mwanza 1991). For instance, there was no major shift in agricultural policy and little attempts were made to integrate the development of agriculture with that of manufacturing (Ndulo and Norton, 1987). Until this day in 1999, the nature of agricultural pricing policy and the land tenure system still bears the marks of the colonial era, which were designed to benefit European settlers (Good, 1996).

During the first ten years after independence in 1964, the Zambian economy expanded fairly rapidly with GDP increasing at an average of 2.3% annually in real terms (World Bank 1994). Because of the economic boom the country was enjoying in the 1960's, it saw no point in using IMF resources until 1971 (Chakaodza 1993). In order to stop the decline in foreign exchange reserves as a result of failing copper prices, and to reduce demand and encourage domestic production, Zambia negotiated a compulsory financing facility with the IMF in 1971 (Chakaodza 1993). The fall in copper prices also coincided with an enormous increase in world oil prices in 1973. In Zambia, economic decline coincided with the implementation of the one-party state constitution, the Second Republic 1973–1991 (Rakner, Michelsen, van de Walle and Mulaisho, 1999).

The responses to the economic decline from United National Independence Party (UNIP) and President Kaunda's leadership, major interest associations and the international donor community can be divided into three time periods (Rakner et al 1999):

#### **1974–1983: Economic crisis without reaction.**

Through commercial and public borrowing the Zambian consumers were shielded from the effects of economic decline. From the late 1970's onwards Zambia accumulated large arrears on international loan repayments. Despite increasingly stronger demands for economic restructuring from the international donors, no sustainable reform programme was implemented.



### **1983–1987: External pressure for reform faces internal opposition.**

By 1983, “soft options” in terms of non–concessional borrowing were no longer available. Increasingly, the IMF and the WB conditionalities guided economic policy–making (Rakner et al 1999). From 1985 onwards, the implementation of substantial SAPs was attempted. But internal opposition met external pressure for change. In May 1987 the SAP was abandoned.

### **1987–1989: Home–grown reform became hampered by the magnitude of crisis.**

During this period Zambia sought to implement an economic recovery programme without economic assistance from the international donor community. The economic crisis and escalating international debt, however, forced the Zambian leadership to enter new aid agreements with IFIs in 1989 (Rakner et al 1999). The new economic restructuring programme was adhered to until the political pressures of the 1991 election campaign led the UNIP government to again abandon reforms and international debt obligations.

#### **2.11.5.2. Lack of ownership of the reform programmes**

The strong and vocal trade union movement (Zambia Congress of Trade Unions) was in particular been depicted as a major element in the 1987 decision to abandon economic reforms (West, 1989). At this time, donor pressure to reduce maize–meal subsidies led prices to triple and riots broke out in Lusaka and in the Copperbelt towns. However, Bates and Collier, (1993), pointed to the strong opposition to reform found within the ruling party and its bureaucracy. Rakner et al (1999) argue that the failure of reform in the 1980’s in part should be attributed to the ideological resistance to orthodox reform found within the Zambian state. At that time, high level politicians, bureaucrats and party officials simply did not believe that copper prices would not eventually increase.

The Zambian government did not believe that an outward economic orientation would result in growth. It should be emphasised that the inward looking Import Substituted Industrialisation Strategy was in part justified by the fear of South Africa and the entire ideology of the front line states. Zambia played host to a number of Southern African liberation movements. Chakaodza (1993) states that Zambia’s support for



liberation movements operating in Rhodesia, Mozambique, South Africa, Angola and South West Africa (Namibia) was given at great economic cost to itself. This analysis by Chakaodza (1993) shows how Zambia continued to experience economic disruption, partly as a result of the political and security situation in the Southern Africa region.

According to one observer, Zambia was effectively bankrupt before agreeing to undertake a comprehensive structural adjustment put forward by the IFI's in 1985 (West 1989). In April 1986, President Kaunda changed his economic team from the group which had negotiated the programme with the IFI's to some of the strongest critics of market based economy and the IFI's programme was discontinued (Bates and Collier 1993).

As a result of the government's failure to adjust to the changing economic conditions, by 1991, Zambia was considerably worse off than in 1964 (Bolnick, 1997). He also observed that, per capita income in 1964 was US\$540 against the 1991 figure of US\$390. Basic social service schemes barely functioned; the hospitals were without drugs, beds and personnel. While schools had no desks or books.

Zambia's 1989 agreement with the WB and IMF was cancelled in the summer of 1991 when President Kaunda refused to cut maize subsidies right before the 1991 elections (Mwanza et al 1992). The maize and housing subsidies were actually increased. This was the legacy of UNIP and the starting point for the new government.

### **2.11.5.3 Change of government**

The "national consensus" had been built on the developmentalist political economic model that helped create a constituency for the government with the most radical and organised interest groups (Hawkins, 1991). These groups included urban elites, such as the business groups, and ZCTU. However, the impact of the SAP disrupted the old development model and thus destroyed the basis for the national consensus (Mwanza et al 1992). As inflation and unemployment increased, so too did the militancy of the trade union movement. A new opposition party, the Movement for Multi-party Democracy (MMD), was formed (this was composed of restless urban unemployed,



petty traders, the intelligentsia, the commercial farmers and the businessmen) and won elections in October 1991 (Chakaodza 1993).

#### 2.11.5.4 Lessons for Zimbabwe

- Zambia is another example of an economy that depended on a single export commodity in this case copper.
- Zambian peasants were not used to participate as farmers in the economic development but as labour reservoir for both the mining and large-scale agricultural sectors.
- Zambian's economic decline coincided with the implementation of the one-party state constitution in 1973.
- When inflation and unemployment increases so does anti-government sentiments.
- Zambia's failure to implement structural adjustment policies was attributed overwhelmingly strong domestic resistance to the reform programmes.
- Regular democratic change of government can help in promote economic fortunes of a nation as happened in Zambia in 1991.

#### 2.11.6. Democratic Republic of Congo (Zaire)



Independence of the Congo in June 1960 was followed by a long period of political instability and civil strife (Chevallier and Kiakwama 1999). The country was ill prepared for independence, with only a handful of university graduates available. Together with Cuba and Vietnam, Congo had the dubious privilege of being a hot spot in the conflict between the Soviet Union and the West during the Cold War (World Bank 1998). According to Cornia and Helleiner (1994) Congo's vast resources particularly in the mining sector, its huge size and its strategic location at the centre of the continent made it a coveted prize in the East – West conflict.

Husain (1993) notes that, anarchy prevailed after the breakdown of authority in 1960-61. He carries on to state that provincial fragmentation in 1962-63 led to armed



rebellions in 1964-65. The economic toll of the first five years of independence was high (Chevallier and Kiakwama 1999). While mineral production, the mainstay of the economy, remained stable (copper production in 1965 stood at 282 thousand tonnes compared to similar output in 1959), commercial agriculture and the transportation network suffered from pervasive lack of security (Cornia and Helleiner, 1994). Their output was reduced by about one third. Bruno and Easterly (1998) note that inflation, fuelled by monetary financing of the budget deficit, soared to an annual average of 31 percent during the five-year period.

General Joseph Mobutu on November 24, 1965 with the support of Western governments seized power in a bloodless coup (Chevallier and Kiakwama, 1999). A new constitution was enacted in 1967 and the name of the country was subsequently changed to Zaire to make a symbolic break with the recent past (Demery and Grootaert, 1993). In this section the name Zaire will be used. Husain (1993) wrote that a stabilization programme prepared by the Central Bank with support from the IMF was announced in June 1967. This he says, included a 300 percent devaluation and the replacement of the Congo franc by the Zaire, the elimination of dual exchange rate, a steep increase in export and import tariffs, the removal of import licensing, and the freeing of profit remittances. This stabilization plan, according to Chevallier and Kiakwama (1999) was a success because the inflation rate declined rapidly to 2.5 percent in 1968 and economic growth resumed.

Two external shocks and two self-administered ones brought this period of economic expansion to an end (Bruno and Easterly, 1998). They carry on to state that, as an oil-importing country, Zaire suffered from the 1973-74 oil shock. To make matters worse, in 1975 the price of copper, its main export, fell dramatically, resulting in a 40 percent decline in its terms of trade (Corden, 1990). The self-administered shocks included the contracting of a large debt on commercial terms for the financing of non-viable projects in 1972-73, and the government decision in late 1973 to transfer all economic activities to Zairian nationals (Chevallier and Kiakwama, 1999).

Cornia and Helleiner (1994) summarize the internal shocks in the following manner. In 1972 the government launched two large projects, with an estimated cost of about



US\$250 million each. The first was to make use of cheap energy produced at Inga, a site with a huge hydroelectric potential on the Zaire River west of Kinshasa. The construction of the Inga-Shaba power line was partly financed by the Export-Import Bank of the USA. The objective of the project was to supply power from the Inga dam to the mining industry in Shaba, 1800 kilometres away. Cheaper alternatives were available but the project was launched for purely political purposes, as a means for the central authorities to keep control over the secession-prone Shaba province (Chevallier and Kiakwama, 1999). The other project was the construction of a steel mill with Italian financing. This never operated at more than 10 percent of its capacity.

For the next two decades the debt of these projects (US\$1.5 billion) has remained by far the largest part of Zaire's debt burden (World Bank 1998).

By 1975, Zaire was unable to service its debt. From that period a prolonged period of economic decline ensued, for example, the GDP declined at an annual average rate of 3.5 percent and inflation reached an average of 57 percent (World Bank 1998). Reform implementation programmes suffered from a number of factors, including, the closing of the Benguela railway line in Angola (this served as a major export route for Zaire's copper), foreign exchange shortages, and hostilities in the Shaba region (Husain 1993).

The IMF and WB approved new programmes with limited success between 1979 and 1986. The major factors which led to the programmes going off-track as soon as they were started were fiscal laxity and government ministers who had no commitment to SAPs (Chevallier and Kiakwama 1999).

After this, several attempts were made to resuscitate economic growth and prosperity of the country by the Zairian government, WB, IMF and various donor agencies, to no avail. Lack of expenditure control forced inflation to spring up and rapidly turned into hyperinflation, with an annual rate jumping from 39% in 1989 to over 4000% in 1991 (Demery and Grootaert, 1993). The economy went into a free fall. In 1996, the year before the demise of the Mobutu regime, the GDP per capita was estimated at about US\$150, less than 40 percent the 1958 level (Chevallier and Kiakwama 1999). The



production of copper barely reached 40,000 tonnes, less than one tenth the level achieved in the mid-1980's (World Bank 1998).

For lack of maintenance, infrastructure deteriorated to such an extent that most regions were now completely isolated (Bruno and Easterly 1998). Poverty had become widespread, and social indicators, which used to compare favourably with those in the rest of SSA, had steadily declined (Chevallier and Kiakwama 1999).

#### **2.11.6.1. The Political Dimension of Reform**

The Mobutu regime lasted for more than three decades. Its exceptional longevity was in sharp contrast with the instability of its institutions and governments in SSA, which during the 1980's on average lasted less than one year (Alesina and Dollar 1998). In 1967 he established a one-party system to consolidate his grip on power and the party was the centre of power and all public institutions, including the government (Husain 1993). The regime did not tolerate any sign of dissent.

In this context, economic reforms were adopted as long as they did not threaten the dominance of the regime. Bruno and Easterly (1998) suggest that reform programmes were introduced under the pressure of short-term concerns, and not to address the root causes of economic problems. They carry on noting that reforms were announced as a means to placate the international community and extract more aid.

The Democratic Republic of Congo and its citizenry have paid a heavy price for the country's strategic importance, its extraordinary mineral wealth and its role in the Cold War. Independence in 1960 was poorly prepared and the chaotic years that followed it gave ample opportunities to the protagonists of the Cold War to manipulate local factions (Chevallier and Kiakwama 1999). With western support and IMF guidance, the Mobutu regime succeeded in restoring the conditions for economic growth, and its first years brought about positive changes for the country's population (Cornia and Helleiner 1994). It was a short episode, however. Bilateral creditors, who were also major supporters of the country and its regime, did not seize the opportunity to help establish the reform process on a sound footing (Alesina and Dollar 1998). External support came too late, and was indirectly used to enlarge the capacity of the



regime to spend for non-development purposes (World Bank 1998). The reformers in the Zairian government who counted on help of the international community had great difficulties fighting against the populist sentiments, which were stirred up by the regime as a means to better maintain its staying power. General Mobutu was ousted from power in 1997 by rebel forces. After the Cold War, Zaire ceased to be of interest to the USA.

#### 2.11.6.2 Lessons for Zimbabwe

- Education is crucial in developing a country. DRC was ill-prepared for independence with only a handful of university graduates available.
- Launching of costly projects without proper feasibility studies is not good of economic development. For example, the DRC government in 1972 launched two large projects with an estimated cost of about US\$250 million each; although cheaper alternatives were available but the project launched for political purposes as means to keep control over the secession-prone Shaba province.
- Reform programmes went off-track due to fiscal laxity ( for example Zaire was unable to service its debt) and government ministers who had no commitment to SAP.
- Lack of maintenance of infrastructure deteriorated to such an extent that most regions in the country became isolated.

#### 2.12. Zimbabwe



This section will cover in detail, the SAPs (with emphasis on agricultural production) in Zimbabwe from 1981 to 1999. The 1981 to 1999 period will be divided into two phases that is Phase One 1981-1990 and Phase Two 1991-1999. Just like most SSA countries, Zimbabwe's second phase of SAP ended

in 1999.



Before going into SAP's it is necessary to look first at the history of the colonial economy in order to show how it helped to create the structural features which were handicapping the growth of the post-independence economy. This period will be from 1975-1980.

### **2.12.1. 1975–1980 Pre-independence era**

The Rhodesian government, under Prime Minister I. D. Smith, had then entered its second decade under the Unilateral Declaration of Independence (UDI) (declared on the 11<sup>th</sup> of November 1965) and the guerrilla war was in its tenth year (Bayer 2003). Rhodesia's economy, due to the international mandatory trade sanctions imposed on it because of UDI had resulted in it being one of the SSA's most controlled economies (Kadenge, Ngoro and Zwizwai 1992). The economy was with exception of South Africa, the most diversified and industrialised in the region (Mlambo 1994).

The accumulation of wealth by settlers was based on the creation of a dual economy: a poor traditional black community largely dependent on agriculture existing in juxtaposition with an affluent white sector (Davies 1990). During this period real per capita earnings for blacks and whites reached record highs, although the disparity in incomes between blacks and whites remained with blacks earning about one tenth as much as whites (Travel Document Systems 2003).

However, Travel Document Systems (2003) observed that Rhodesia's economy from 1975 onwards was beginning to suffer from the cumulative effects of sanctions, declining earnings from commodity exports, worsening guerrilla conflict and increasing white emigration. When Mozambique severed economic ties the Smith regime was forced to depend on South Africa for access to the outside world (Mwanza 1992). An increasing proportion of the national budget (an estimated 30% to 40% per year) was allocated to defence and a large budget deficit raised the debt burden substantially (Kadengu et al 1992).

The Rhodesian agricultural sector was the backbone of the country's economy. It was the country's main foreign exchange earner and though exact figures were a guarded secret, because of sanctions and accompanying sanctions busting operations, it was



calculated that agricultural production was grossing around R\$500 million a year (R\$200 million higher than minerals) (1979 rates)(Grundy and Miller 1979).

Commercial farm land which was owned by white farmers made up of 17 million hectares or 43 per cent of the country; Tribal Trust Lands (T.T.L.) (today called Communal Farming Areas) were open to black peasant farmers only, amounted to six million hectares or 16 per cent (Grundy and Miller 1979).

T.T.L's provide home to nearly 60 per cent of the population and a social security system for over 90 per cent (Chakaodza 1993). The total population at this time was six million and the population was growing at between 3.6 and 3.7 per cent a year (Bautista and Thomas 1998). The T.T.L's were a home to overstocking of animals that led to overgrazing and erosion of the grazing areas (Rhodesia Farmer 1979). The Rhodesian government confirmed that the T.T.Ls were bursting at their seams.

Stubbs (1979) the Agriculture Director (TTL) at the Ministry of Internal Affairs commented that, while total production showed an increasing trend, yields per hectare, in most cases, did not. Data on land use were imprecise, but best estimates indicated that over the period 1961/62 to 1976/77 the approximate number of cultivators increased from 359,000 to 675,000 (increase of 88%), and the gross hectarage under cultivation from 1.15 million to 2.2 million (an increase of 91%) (Stubbs, 1979); and the number of cattle had increased from 2 million to 3.4 million – an increase of 70%.

Kirkman (1978) a prominent Rhodesian farmer in an address to the 1978 Annual Congress of the Rhodesia National Farmers Union (RNFU) presented the following figures on the population explosion and food needs in Africa:

- Population had grown from 256 million to 367 million between 1961 and 1976, an increase of over 40% (in 2006 population stood at over 690 million)
- Per capita availability of grain on a weekly basis had fallen from 3.02 kilograms per week to 2.72 kilograms per week.
- Production since 1962 at 43.1 million tonnes had increased marginally to 45.8 million tonnes in 1977.



- Assuming a population growth rate of 2.5%, by 1985 the population would have reached over 465 million (Africa's population is currently [2007] over 650 million).
- Assuming a production level of 50 million tonnes of grain per annum and a consumption rate of 4.8 kilograms per capita per week, the deficit of grain in Africa could be about 60 million tonnes per annum.

In short, therefore, SSA would appear to be heading for a major grain crisis. At that time (1978) the only countries in SSA with the possible exception of Kenya that could provide a regular exportable surplus of grain were South Africa and Rhodesia (Godwin and Hancock, 1993). South Africa hovered around five per cent of the maize traded on the world market and while Rhodesian figures since 1965 had been classified, it would have probably ranged between 0.5 per cent and one per cent of the world maize export trade (Grundy and Miller, 1979). Yields over the period 1974/1975 to 1975/76 showed that Rhodesia out yielded most SSA countries by nearly twice and in the case of countries like Tanzania by nearly six times (Charlton 1990).

In 1978, the liberation war forced the Rhodesia government to go into an internally designed power sharing settlement with moderate blacks led by Bishop Abel Muzorewa (Godwin and Hancock, 1993). This settlement was not recognised internationally.

The Zimbabwe-Rhodesia government produced an ambitious five-year plan (starting from 1979), the Integrated Plan for Rural Development aimed to achieve six objectives:

- a. To promote the development of major physical resources in viable projects in order to create employment and increase the growth output.
- b. To promote the settlement of farmers in under-utilised areas. Development plans to take cognisance of farming systems most suited to these areas and the need to accommodate the largest possible number of farmers.
- c. To promote the development of what were known as T.T.Ls, with the ultimate objective of making them agriculturally viable.



- d. To promote urban development at selected sites, principally within the tribal lands, based primarily on physical resource development and socio-economic factors.
- e. To increase the output from the then commercial sector of the agricultural industry in order to increase both foreign exchange earnings and employment opportunities in the sector.
- f. To promote the increased rate of urban development in centres in order to create additional employment and to accommodate the families of all established urban workers.

These projects would have had dramatic effects on employment, land settlement, living standards and agricultural output. Expansion of existing irrigation schemes was the starting point, followed by harnessing of the vast irrigation of the South-Eastern Lowveld of Rhodesia (Grundy and Miller 1979). The programme covered a number of substantial schemes and two very large projects – the Condo Dam and the Tokwe Mukorsi Dam (Stubbs, 1979). Overall, the projects proposed in the programme were capable of bringing an estimated 82 000 hectares under irrigation (the national irrigation area in 1976 was approximately 80 000 hectares) (Tamarkin, 1990). The level of total investment required was extremely high and funding was shrouded in secrecy. It could be assumed here that the Zimbabwe-Rhodesia government under Bishop Muzorewa were hoping for a quick international recognition and acceptance. If this did happen then funds for these worthwhile projects could be sourced from the Bretton Woods Institutions and international donor agencies.

The RNFU president Dennis Norman admitted in March 1979 that the situation in Zimbabwe-Rhodesia was very bad, in a speech to white farmers. Extracts of his speech are: *“The white farmer has three major problems on his hands at the moment. He has the problem of viability, political uncertainty and security”*.

Dennis Norman (March 1979) believed that once there was a return to normality, Zimbabwe-Rhodesia could become the major food supplier to Zambia, Zaire, Mozambique and Angola. *“We could substantially increase food production, generating more jobs and new wealth for the benefit of everyone in this country. Agriculture must be built up and not pulled down. Once an industry like ours is allowed to collapse it produces a vacuum that cannot be filled. You can bring in expatriates from anywhere in the world to mine or run the railways. But they cannot become farmers overnight. The TTL farmer cannot fill that void because through no fault of his own, he is not equipped to do so at present”*.



Macroeconomic policy and performance in Zimbabwe since independence present an interesting case study on the problematic and pitfalls involved in the process of economic policy reform (Mumbengegwi and Mabugu, 2002). During the first decade (1980–1990), the macroeconomic policy was highly controlled. Current economic wisdom advises that this was a very bad thing for the economy (Hawkins, 1991). As a result, a standard IMF/WB supported structural adjustment package was adopted in 1991, because it was felt that this would be good for the economy (Mwanza, 1992). Performance indicators show that the economy grew by a respectable average of 4.3% per annum under the ‘bad control’ policies of the 1980s but only a miserly 0.8% under the so called ‘good’ policies pursued during the period of economic structural adjustment (1991–1995).

Thus, despite the 1980s having been described as a lost decade for SSA in terms of growth performance, Zimbabwe stood out as one of the few SSA countries that registered growth rates comparable to those of other developing nations, notwithstanding the government-controlled macroeconomic framework at that time (Dashwood, 2000).

Zimbabwe’s post-independence macroeconomic history can be easily divided into two major policy scenarios:

#### **2.12.2. 1980-1990 The First 10 Years of Independence (Control Regime)**

Upon coming to power in 1980, Robert Mugabe’s ZANU-PF government faced a range of constraints. Most immediately there was an urgent need to promote reconciliation between blacks and whites (Dashwood, 2000). The economy, which had been dragged down by fifteen years of civil war, needed to be revitalized (Raftopoulos, 1993). Yet, despite these constraints, there was nothing predetermined about the direction that the government would take.

As expected, the post-independence government’s agricultural policies focused at developing a high degree of food security while at the same time improving the welfare of the long marginalized rural population (Dashwood, 2000). Government policy also sought to enhance land and labour productivity in agriculture, increase



employment and promote local markets for agricultural produce (Muir and Blackie, 1994).

In pursuit of these objectives, there was direct stimulation of agricultural production by way of policies and measures on land, water, infrastructure, credit and technology (Nyagura, 1998). The country had experienced an uneven distribution of basic means of agricultural production, namely, land and water to the detriment of smallholders (Makamure et al, 2001). Policy measures, therefore, were required in order to correct this anomaly. However, there were some stumbling blocks which included the Lancaster House Agreement of 1979 which required that all land be acquired on a “willing buyer – willing seller” basis and that compensation for land seized was to be denominated in foreign currency, for example, US dollars (Maposa 1995). Donor support to this programme was poor while disbursements were relatively small (Makamure et al 2001). Land was costly and available mainly in the marginal production areas and on an ad hoc basis (Muir and Blackie, 1994). The limited infrastructure and access to water also hindered progress. By 1990, only 52,000 families had been resettled on 3.3 million hectares (Zimbabwe Congress of Trade Unions, 1996).

As a result, during the first ten years of independence the large-scale farming sector was left to appropriate an increasing quantity of Zimbabwe’s limited water resources to the disadvantage of small-holder farmers. Whereas in 1981 in the communal areas 3,200 hectares were under irrigation (2.5% of the total of 130,000 hectares), this had increased to only 5,548 hectares by 1991 (ZCTU, 1996).

As government paid lip service to land and water redistribution, the population size in the communal lands swelled. The situation deteriorated making the communal areas increasingly overpopulated and overgrazed and environmental degradation worsened (Rukuni and Eicher, 1994).

#### **2.12.2.1. Marketing**

The government mandated a variety of commodity marketing boards, through the Agricultural Marketing Authority (AMA), to purchase most agricultural produce and



also regulated the transportation and distribution of agricultural inputs (Ndoro, 1990). For example, the Grain Marketing Board (GMB), with a highly centralised system had the mandate to purchase grain (maize, millet, sorghum and wheat) as well as oilseeds (sunflower and soya beans)(Friedrich Ebert Stiftung and Zimbabwe Economics Society, 1998). Three channels of distribution linked the producers to the GMB, that is, producers could sell grain through GMB depots located in urban areas and growth points (in rural areas), to GMB collection depots or to specific GMB approved buyers (Ndoro 1990).

In the meat and livestock sub-sector, the marketing, slaughtering and processing of livestock for beef was regulated, with the first two functions being the responsibility of the Cold Storage Commission (CSC) and the later involving the Commission and a few meat processing companies like Cairns Foods and Colcom (Makamure et al 2001). The Dairy Marketing Board (DMB) was responsible for the purchase and processing of milk; Sugar Refineries for sugar and Cotton Marketing Board (CMB) for seed cotton.

In order to overcome the decline in food production the government embarked on the expansion of GMB depots (Dashwood, 2000). From only three depots in the communal areas in 1980, an additional eleven depots were established by 1985, together with 135 official buying points (Jenkins, 1994). The peasant contribution to maize production, which was only 3.6 per cent of total production in 1979, reached nearly 50% by 1985 and continued to grow (Moyo, 1995). This emphasis on rural development since 1985 has been more on improvement in peasant production in the communal areas, that is, in areas long under cultivation by black peasant farmers, than on land redistribution (Government of Zimbabwe, 1986). In this respect, assistance to peasant farmers in various forms, including price incentives and the provision of collection points, had led to dramatic increases in peasant production (Dashwood, 2000). Improvements were also made in the provision of extension services in the communal lands; the extension worker to farmer ratio was reduced from 1:2000 to about 1:1800 by 1986 (Jenkins, 1994). The tremendous increase in output from communal areas was thus a factor influencing the government to effectively abandon land redistribution (Dashwood 2000). Unfortunately, only a small portion of peasants,



between 10 and 20 per cent, were responsible for over 80 per cent of marketed output from the communal areas (Jenkins 1994).

### 2.12.2.2. Economic Growth

The euphoria of independence in 1980 brought with it a brief respite and there was a widely held belief that with access to foreign investment, aid, a peace dividend, more active participation on the world economy and two consecutive and exceptionally good rainfall seasons in 1980/1981 and 1981/1982 Zimbabwe would boom (Muir-Leresche, 1999). This it did in 1980 and 1981 with growth rates of over 10 per cent per annum; but the recovery was short-lived (Dashwood 2000).

However, as exogenous growth factors began to evaporate towards the middle of the 1980s, the economy was plunged into a deep recession, sparked by two consecutive droughts (1983/4 to 1984/5) and falling demand in the world markets (Mumbengegwi and Mabugu, 2002). Agricultural output declined by almost 20%, reducing incomes and effective demand for manufacturing sector output (Hawkins, 1991). Exports also declined and then stagnated with balance of payments problems necessitating a nominal devaluation in 1982 and tighter foreign exchange controls on imports (Mwanza, 1992). The resulting import compression and reduced capacity utilisation in industry reduced the average growth to 4.1% for the period 1980-85, which was well below the 8% growth target envisaged by the Transitional National Development Plan (1982-1985), see Table 2.3

**Table 2.3 Zimbabwe: GDP growth, inflation employment, investment and factor shares.**

Period	GDP growth %	Inflation rate %	Employment growth %	Investment ratio %	Wages/GDP ratio	Profit/GDP ratio
1980-1985	4.1	8.7	2.3	9.8	56.7	41.6
1986-1990	4.6	10.8	1.9	7.7	57.3	40.5
1991-1995	0.8	25.1	1.4	21.0	45.0	54.8
1996-1998	4.2	24.0	2.8	16.1	42.3	57.7

Source: Central Statistical Office. (September 2000). *National Accounts and Quarterly Digest of Statistics*. Harare Zimbabwe. Published by C.S.O.



Throughout the 1980s, there was a significant increase in the civil service which, together with the low productivity levels, contributed to the ever-increasing budget deficit and low growth levels of the Zimbabwean economy (Rukovo, Takavarasha, Thiel and Wiedbelt, 1991). Participation in the Mozambique war and the rents to be made from military equipment purchases, led to continued heavy military expenditure throughout the 1980s and on into the 1990s.

The government produced a number of policy documents outlining their intention of combining growth with equity rather than undertaking a radical redistribution (Muir-Leresche 1999). One of these, (Growth with Equity, 1981), was the Zimbabwe Conference on Reconstruction and Development (ZIMCORD) held in 1981. The objective was to get donor assistance to rebuild Zimbabwe after the war. This process was largely completed after the first two years of independence, although the efforts to resettle peasants displaced by the war lost its vigour after 1983 (Dashwood, 2000). The hosting of ZIMCORD marked the beginning of Zimbabwe's dependence on external funds for its economic development (Chakaodza, 1993). Other policy documents produced by the Zimbabwe government, during this period, were as follows:

1. Foreign Investment: Policy, Guidelines and Procedures, 1982
2. Transitional National Development Plan, 1982/83 – 1984/85.
3. First Five-Year National Development Plan, 1986-1990.
4. Economic Policy Statement: Macro-economic Adjustment and Trade Liberalisation, July 1990.

A series of internal and external shocks, such as droughts and world recession, affected the economy as from 1982 (Kadenge et al 1992). Consequently the government was forced to abandon its first development plan (1982-85) as a point of reference in terms of managing the economy, but used the budget instead which is short-term in perspective (ZJE, July, 1984). Chakodza (1993) noted that, after 1982, the thrust shifted from that of redressing social imbalances to one of stabilisation. Zimbabwe's 1982 IMF stabilisation programme had measures such as restraining credit growth, reducing subsidies, devaluation of the currency and raising interest rates (Stoneman, 1989).



After 1985 as the economy's health worsened, the possibility of Zimbabwe competing and prospering in the rapidly changing world of the 1990s increasingly became remote unless some necessary corrective action was taken (Green and Kadhani, 1986). For the economy to create the self-sustaining growth that was required in order to dramatically improve the standard of living of its population, reduce unemployment, cut the large budget deficits, alleviate the foreign exchange shortage and the related debt problem, the government decided to implement the SAPs as from 1<sup>st</sup> October 1990 (Kadenge et al 1992).

### **2.12.3. 1991–1999 Second 10 Years of Independence**

Zimbabwe was a relatively late adopter of structural adjustment reforms. Global trends and the declining growth performance in the last three years of the 1980s persuaded its government to abandon the existing system of macroeconomic controls. Before introducing its SAP, which included trade liberalisation policies, the government of Zimbabwe set up a commission to look into new policy initiatives concerning further economic reforms. Chakaodza (1993) notes that in 1987 the government published a document entitled the Promotion of Investment: Policy and Regulations. The reason for publishing the document was the desire on the part of the government to promote investment in the agricultural, industrial, mining and commercial sectors of the economy in order to step up the rate of growth and create greater employment opportunities (Dashwood 2000). It was believed that the country's rich resource endowments and sophisticated infrastructure provided enormous opportunities and potential for further investment (African Development Bank, 1989).

The publication of the document was followed by a Trade and Investment Conference hosted in London on behalf of the Zimbabwe Government by the Confederation of British Industry in May 1989 (Bond 1998). The hosting of the Conference was aimed at attracting foreign investors. According to Chakaodza (1993), this Conference received lukewarm response from investors. This was because there was resistance to market reforms in the government, including the president, Robert Mugabe (Dashwood 2000). As late as 1989, Mugabe was still expressing strong doubts about SAPs, including reservations about their impact on the poor (Herbst, 1991).



The Economic Structural Adjustment Programme (ESAP) was officially launched in 1991 and consisted of a series of economic policy reforms, which were to be carried over two five-year periods (Makamure et al 2001). Zimbabwe called its SAP, ESAP, because it did not want to be associated with the apartheid South African Police also known in short as SAP. Carter (1999) listed these two periods as Phase I (1991-1995) known as The Economic Structural Adjustment Programme ( or the Second Five Year National Development Plan [SFYNDP]) and Phase II (1996-2000) known as Zimbabwe Programme for Economic and Social Transformation (ZIMPREST). The government set out its policy for adjustment in a Government Paper in 1990 and was to proceed in a series of steps (the first phase costing an estimated US\$5 billion) (Carter, 1999). The steps included the following:

#### **2.12.3.1. Phase I (ESAP) 1991-1995**

- Devaluation of the Zimbabwe dollar from Z\$0.40 to the US\$ at independence to Z\$40.00 to one US\$ in 1998.
- An increase in the number of products put on open general import licence to the extent that nearly all but prohibited goods under anyone's definition were able to be imported into Zimbabwe, provided purchasers had foreign currency.
- Trade Liberalisation in all sectors of the economy.
- Exchange Reform. An increase in the amount of foreign currency available for purchase by individuals and organisations and a freeing up of strict exchange control bureaucracy.
- Parastatal Reform. The commercialisation of government parastatals where huge subsidies had been paid particularly in the agricultural sector for storage and transport facilities.
- Social Dimensions. Protecting the consumer from the ills of economic reforms.
- Deregulation of Commodity Trading. The restrictions were lifted allowing the starting up of the Zimbabwe Commodity Exchange (ZIMACE) for agricultural products, for example.



- **Inward Investment.** The government has been trying to woo investors into the country through talk (and subsequent operationalisation) of Export Processing Zones and a favourable investment climate.
- **Commercialisation or Privatisation.** The government allowed the privatisation many of the State Industries.
- **Import and Export Trade Barrier Reform.** Previously many commodities could only be exported or imported through Marketing Boards.
- **Civil Service Reform.** The WB was particularly anxious that Zimbabwe reduce its expenditure on the Civil Service and introduce much needed reforms.

In the SFYNDP (1991-1995) the government said its major thrust was to enhance food self-sufficiency for the population, increase exports, expand employment and meet the raw material requirements of the manufacturing sector. In general terms, ESAP resulted in the government cutting budgets in several ministries and instituted measures towards curtailing losses of parastatals (Makamure et al, 2001). The government reduced its intervention that had been aimed at the further development of the agricultural sector, while at the same time it pushed for export-oriented production (production of tradables) (Nyagura, 1998).

The government set itself targets to be achieved by 1995 and these are shown in the table below (1990 prices) (Government of Zimbabwe, 1991):

**Table 2.4 Targets**

GDP Growth	4.6% per annum
Investment	\$6900 million in productive sectors (83% by private sector)
Foreign Investment	\$300 million
Savings	24% of GDP (19% in 1985-1990)
Government Expenditure	38% of GDP (46% in 1990)
Budget deficit	2.4% (8.9% in 1990)
Inflation	9% (25% in 1990)
Employment	108500 new formal sector jobs and 50000 new entrants to the informal sector
Resettlement	87000 resettled smallholders (52000 in 1990)



The economic structural adjustment reforms had been designed on the assumption that they would lead to resources shifting from nontradable and protected import-competing to tradable and unprotected import-competing sectors (World Bank 1999). The contraction of the former would be more than compensated by an expansion of the latter. This was supposed to stimulate growth. That this did not occur to any significant degree was an apparent paradox that can be easily explained by the failure of government to adhere to the internal logic of the reforms (Bautista and Thomas, 1998). For example, fiscal stabilisation, which was required up-front, was never seriously attempted because the government found it politically difficult to reduce its expenditure levels. Exogenous factors, in particular the worst drought in living memory, which devastated the country very early in the reform process, served merely to aggravate the situation (Mumbengegwi and Mabugu, 2002). The incompatibilities in implementing the various elements of the programme undermined the credibility of the reforms and rendered them prone to policy reversals, as had occurred on several occasions (Dashwood, 2000). The vigorous pursuit of trade liberalisation while failing to reform the public sector and to reduce the budget deficit was an important source of the many difficulties that confronted the economy during ESAP (Nyagura, 1998). Thus, if promoting growth was the main purpose of ESAP, then it was a dismal failure.

#### **2.12.3.2. Phase II (ZIMPREST) 1996-2000**

The second phase of reforms was implemented as the Zimbabwe Programme for Economic and Social Transformation (ZIMPREST, 1996-2000). ZIMPREST sought to continue the unfinished reforms from ESAP (Phase I), and, in particular, the reduction of the budget deficit, public sector and public enterprise reforms, financial liberalisation and the enacting of a more effective supervisory and regulatory framework for the financial sector. Dashwood (2000) states that ZIMPREST also had a broader social and political focus than ESAP, in that it included issues of poverty reduction, land reform, black economic empowerment and the indigenisation of the economy.

The ZIMPREST strategy (Zimbabwe Government 1996):

- Revamp the economy by promoting high productivity for the Export International Market using Export Processing Zones (EPZs) as the catalyst.



Investors in the zones had to sign an agreement to export 80% of the manufactured products for the international market and 20 per cent for the local market.

- Further encourage and forward plans for privatisation.
- Continue with the liberalisation of the economy.
- Produce guidelines for reducing the rate of inflation and providing a stable economic environment.
- Provision of free education, health and land for war veterans (resettlement).

ZIMPREST started with a strong overall GDP growth of 7% and a lower than anticipated budget deficit in 1996 (Mumbengegwi and Mabugu, 2002). However, it too, soon faltered for reasons identical in nature, if not worse in magnitude, than those responsible for ESAP's failure to achieve its objectives. The reasons for this were (Dashwood, 2000):

- Government fiscal imprudence, which threw all the macroeconomic fundamentals into disarray.
- Persistent revenue and expenditure mismatches made the budget deficit problem the cause of Zimbabwe's macroeconomic instability since the start of the economic reforms.
- Method of financing shifted from borrowing from the non-banking to borrowing from the banking and financial sector, a change which fuelled money supply growth, rampant inflation and high interest rates.

Although annual inflation had been controlled at around the 22% mark, the factors discussed above soon led to runaway levels, reaching an all-time peak of 70% by the end of 1999 while interest rates also skyrocketed to similar levels in line with inflation (African Development Bank, 1999). The CSO (2007) put the inflation figure at +4000% at the end of April 2007.

#### **2.12.4 Agricultural Policy in the Reform Periods**

In its agricultural policy statements over the years, the government repeatedly pointed out that one of the most crucial problems facing Zimbabwe was to generate substantially greater farm output from smallholder farming (communal, resettlement



and small scale farming), in order to meet direct household consumption needs and to generate greater net farm cash incomes (Mwanza.1999).

The Zimbabwe Agricultural Policy Framework 1995-2020 (Government of Zimbabwe, 1994), which gave vision for the development of the agricultural sector for twenty-five years starting from 1995, was built upon four pillars:

1. The transformation of smallholder agriculture into a fully commercial farming system.
2. An average increase in total agricultural output each year that is significantly larger than the increase in population.
3. The full development of physical and social infrastructure in all rural areas throughout the country.
4. The development of fully sustainable farming systems throughout the country, which would reverse current environment degradation and soil erosion.

The design of Zimbabwe's agricultural sector policies as part of the country's structural adjustment process since 1991 had been largely influenced by the following key strategies (Akwabi-Ameyaw, 1997):

- Reduction of government's direct involvement in the production, distribution and marketing of agricultural inputs and commodities.
- Removal of price subsidies on farming sub-sectors, including input supply and State-run credit schemes.
- Liberalisation of export and import trade.
- Privatisation of agricultural marketing.
- Supply/demand balance for agricultural commodities.

#### **2.12.5. Liberalisation of agricultural exports**

The Zimbabwe government in 1990 started an all out export drive and designed a number of policies to stimulate exports (Taylor, 1999):

1. The Export Retention Scheme (ERS) allowed exporters to retain a percentage of their export earnings (the mining and agricultural sectors were entitled to retain locally five per cent of the value of exports for the purchase of the imported raw material and capital goods for their existing line of operation).



2. The Open General Import Licence (OGIL) allowed certain goods to be imported into Zimbabwe without the importers having to obtain an import licence in the first instance (amongst the first items to be placed on OGIL were agricultural inputs like stock feeds, tyres, spares and cattle semen).
3. The Export Revolving Fund (ERF), which was introduced in 1983 to provide exporters with foreign exchange for needed imports, was replaced by the Export Support Facility (ESF).

The biggest export incentive, however, was the devaluation of the Zimbabwe dollar throughout the 1990s. As a result, agricultural producers suddenly got much higher prices in Zimbabwe dollars for their exports (Taylor, 1999).

Soaring inflation especially since the start of the economic programme in 1991, the high cost of money, high rates of taxes and other costs, had eroded the viability of farming and hit hard smallholder farmers who did not enjoy economies of scale than their large-scale counterparts (Dashwood 2000). The removal of input subsidies (for example fertiliser) had caused a predictable crisis for smallholder farmers.

A programme of action to phase out subsidies to parastatals was set out, with direct subsidies to be reduced from Z\$629 million in 1990/1 to Z\$40 million by 1994/5 (Government of Zimbabwe, 1998). What comes out very clearly in the framework document is that the goal is not simply one of privatisation. Thus, parastatals were classified according to whether they would remain in government hands, and whether they served a social role. Those that were not viable were to be liquidated (Government of Zimbabwe, 1998).

The government's commercialisation of some parastatals greatly reduced the subsidies but several of these still remain a heavy drain on the fiscus, in particular Zimbabwe Iron and Steel Company (ZISCO) and the GMB. Most parastatals have been commercialised and a few (including the Dairy and Cotton Marketing Boards) privatised (Muir-Leresche 1999). In order to facilitate the process, the government took over the debts of these parastatals, amounting to Z\$4.23 billion (1996 prices) (Government of Zimbabwe, 1998). The Government of Zimbabwe(1998), stated that,



this action, together with the significant deterioration in the overall performance of the public enterprises, with losses amounting to Z\$2 billion in 1993/94 and Z\$1.8 billion in 1994/95, were the major factors contributing to the high budget deficit in 1994/95.

Rather than seeing rural development as being central to Zimbabwe's development strategy, it was seen as derivative of development in other sectors. In the SFYNDP the Government of Zimbabwe (1998) states that, the improvement of the economic and social conditions of the people living in communal and resettlement areas is dependent on the development of all economic and social sectors, especially on the development of the manufacturing industry, human resources and agriculture. The failure to embrace rural development as a central component of the economic reform programme has also been noted in other studies, including one conducted by the International Labour Office, to be a major weakness in the reform programme (International Labour Office, 1993 and Moyo, 1992).

The formal launch of the second phase of market-based reforms in 1996, ZIMPREST, sought to rectify this major weakness of ESAP. In the chapter headed "Facilitating Economic Empowerment and Private Sector Development", land reform is second in order of priority, after indigenisation (black economic empowerment). Little is said, however, about how land reform would alleviate poverty. ZIMPREST envisaged that some of the commercial farmland would be set aside for indigenous commercial farmers, which would merely result in the transfer of ownership from a few white hands to a few black hands (Dashwood, 2000). The relevance of ZIMPREST could be questioned because it was out of date, scant of details and had been overshadowed by the controversial land designation/grab exercise.

Access to land is an emotional, political and economic issue, which has a direct effect on the stability and prosperity of Zimbabwe (Kinsey, 1997). There are two major issues with the respect to land and the natural resources associated with it: the allocation of the land between groups and the tenure systems. Land, particularly in the high rainfall areas, is very inequitably distributed, favouring large-scale, white farmers. At independence the target was to resettle 162 000 families (Government of Zimbabwe, 1981). This target was not achieved and by 1990 only 52 000 families had



been resettled on 3.3 million hectares of land (Ministry of Agriculture, 1994). The situation had changed very little by end of 1995. The real constraint to land resettlement was the lack of commitment on the part of government who did not allocate the resources, manpower or priority to ensure its success (Muir-Leresche, 1999).

Land is regularly used in political polemic and as a diversion from government failures (Moyo, 1992). An analysis of government actions would indicate that they are more concerned with maintaining political control than redressing the land imbalance (Muir-Leresche, 1999). The rhetorical response to the limited success with resettlement has consistently been the unavailability of land despite the fact that government was offered 1.7 million hectares in Natural Regions I, II and III between 1986 and 1989 and purchased only half a million hectares (Maposa, 1995). The limited budget for land purchase and resettlement indicated the lack of commitment by government to addressing the land question. In the financial year 1995/96 the Ministry of Agriculture and Lands asked for Z\$150 million but was allocated only Z\$10 million for land purchase.

**Table 2.5 Land Distribution in square kilometres:**

Year	Large-scale farming sector	Communal Lands	Resettlement	State Farms	State Land
1980	157 000	177 000	0	n/a	56 200
1990	112 000	176 000	32 900	5 000	64 730
1995	110 000	176 000	33 400	n/a	66 100

Sources: Central Statistics Office. 1996. Moyo G. (1995). *The Land Question in Zimbabwe*. Harare SARIPS, and Ministry of Agriculture and Lands (Background Documents).

From 1995 onwards land distribution figures were not available because in 2000 the Zimbabwe government authorised the grabbing of land in the large-scale farming area by all and sundry. This has resulted in no reflection of how many communal farmers have moved to large scale farming areas and how much of the previous large scale sector is left and operational.



## 2.12.6 Conclusion

It is now widely accepted from the literature review that many of the anticipated results from structural adjustment did not materialise. Despite the considerable progress that was made in implementing the reforms, especially in the areas of trade liberalisation and domestic deregulation, the economy failed to generate the desired supply response. The programme design had underestimated the inherent lag in output and export supply response such that economic growth and other indicators of performance were disappointingly low. Not only do growth figures compare very unfavourably with those achieved during the control regime of the 1980s; they also fell short of their planned targets, as shown in Table 2.6. Real GDP growth was a meagre 0.8% per annum between 1991 and 1995, while GDP per capita actually declined by over 2% per annum. Furthermore the functional distribution of income shifted away from labour to capital, as shown in Table 2.4 (page 84), so that the share of salaries and wages decreased from 57% of GDP in the 1980s to 45% by 1995.

**Table 2.6 Zimbabwe: planned targets versus actual growth rates**

<b>TNDP 1980-85</b>		<b>FFYNP 1986-90</b>		<b>ESAP 1991-95</b>		<b>ZIMPREST 1996-98</b>	
Target	Actual	Target	Actual	Target	Actual	Target	Actual
8.0	4.1	5.1	4.6	4.6	0.8	6.0	4.2

Sources: Actual growth rates calculated from Central Statistical Office, National Accounts and Quarterly Digest of Statistics. Targets obtained from the Transitional National Development Plan, the First Five-Year National Development Plan, the ESAP and ZIMPREST policy documents.

The international donor agencies, in particular the WB and the IMF, did not appear to be concerned by the excessively high defence expenditure for a country with little internal or external security threat, at the expense of the resettlement programme (Muir-Leresche, 1999); for example in 1997, the government announced a supplementary expenditure on military hardware totalling Z\$2 billion. In addition to these excessive additional capital expenditures, the 1997/8 budget allocated 11.6% to Defence plus 6.5% for internal security but only 8.2% to Health and 2% to Agriculture and Lands (Ministry of Finance, 1997). The IMF approved this budget and announced the release of balance of payment support they had previously withheld because of high government expenditure (IMF, 2000). But few months later this release was



stopped pending acceptable provisions for the additional Z\$5 billion expenditure required by government to appease and pacify the War Veterans who were demanding compensations for fighting in the liberation war (IMF, 2001). But for some reason or other the WB released funds in December of the same year and this coincided with government provisions to increase income, fuel, electricity and sales taxes, the closure of foreign currency accounts and the beginning of land designation exercise (Muir-Leresche, 1999). All these events were going to have a huge impact on the economic performance of the country.

The informal sector and the deregulation of markets appear to have been the only positive factors to result from the partial macro-economic reforms implemented in Zimbabwe (Taylor, 1999). Until government expenditure is reduced and there is a real commitment to systems, which are transparent and encourage efficient resource allocation, it is unlikely that the Zimbabwean economy will fulfil its considerable potential. The future of agriculture is uncertain. This will certainly have severe impacts on growth, on the country as a whole, because of the strong multiplier effects of agriculture and the importance of adequate foreign currency reserves in the Zimbabwean economy (Dashwood, 2000).

The current economic meltdown, government-created food crisis, and deepening state-sponsored violence that have plagued Zimbabwe since the year (2001) President Robert Mugabe's ruling party (ZANU-PF) allegedly rigged the presidential election continue to point in one ominous direction: potential state collapse (International Crisis Group, 2003). One of Africa's most highly developed formal economies is disappearing. International Crisis Group (2003) commented that, severe food shortages resulting from the destruction of the commercial farm sector and the use of food as a political weapon have turned one of Africa's breadbaskets into a beggar nation subject to localised famines. As mentioned earlier in this chapter analysis of events happening in Zimbabwe after 1999 are beyond the scope of this study.



## 2.13 Selected Economic and Financial Indicators

### 1) Table 2.7 Quarterly Economic Review

	1990	1991	1992	1993	1994	1995	1996
GDP (real 1980) Z\$b	4.4	4.5	4.3	4.3	4.7	-	-
GCP (real 1990) Z\$b	21.5	22.7	20.6	20.9	22.3	22.4	24
Agric. GDP (1980) Z\$b	0.55	0.52	0.43	0.59	0.64	-	-
Agric. GDP (1990) Z\$b	3.19	3.22	2.47	3.15	3.38	3.13	3.8
L-Scale Crop Sales Z\$b	1650	2825	2040	3075	4550	5071	8474
Smallholder Crop Sales Z\$b	233	287	78	1055	1026	282	1550
Per Capita GDP (US\$)	-	616	531	518	523	566	-
Per Capita 1990 growth %	3.7	2.3	-11.8	-2.1	3.3	-3.2	3.9
Gross National Savings %	-	16	10	14	13	11	-
Dept. Service Ratio %	-	23	31	30	25	20	-
Broad Money Growth %	-	-	-	47	36	25	-
Inflation rate %	16	23	42	28	22	23	22
Population million	-	9.7	104	10.8	11.1	11.5	11.9
Total Empl. '000 (formal)	-	1244	1236	1239	1236	1240	-
Formal Agric. Empl. '000	-	304	301	324	330	324	-

Source: Reserve Bank of Zimbabwe. (May 1997). Reserve Bank Quarterly Economic Review

### 2) Table 2.8 Zimbabwe Reform Targets by 1995 (in 1990 prices)

#### GDP growth 4.6% per annum

Investment \$6900m in productive sectors (83% by private sector)

Foreign investment \$300 million

Savings 24% of GDP (19% in 1985-1990)

Govt. Expenditure 38% of GDP (46% in 1990)

Budget deficit 2.4% (8.9% in 1990)

Inflation 9% (25% in 1990)

Source: Government of Zimbabwe (December 1991). *Second National 5 Year Plan 1991-1995*.  
Government Printer

### 3) Table 2.9 Exchange Rate: 1990 – 1997 US\$1 = Z\$

1990	1991	1992	1993	1994	1995	1996	1997
2.63	5.05	5.48	6.94	8.34	9.31	10.2	17.9

### 4) Table 2.10 Nominal Agricultural Producer Prices 1980-1995

	1980	82	84	86	88	90	91	92	93	94	95	96	97
Maize A	85	120	140	180	195	225	270	550	900	900	1050	1200	1200
Sorghum													
White A	105	115	140	180	195	225	270	550	520	520	650	920	700
Red A	105	115	140	180	80	180	270	550	520	520	650	920	600
Wheat AS	135	190	250	300	365	460	520	995	1450	1450	2100	2550	
Cotton cents/kg	38	52	57	75	85	117	135	163	267	320	370	420	
Soya beans A1	160	200	287	340	420	485	560	950	1323	1600	1600	2000	2900
Groundnuts	390	450	500	750	1000	1250	1250	1500	1800	2400	4500	5000	
Beef cents/kg	81	128	148	180	254	285	304	370	370	461	n/a	1413	
Tobacco Zc/kg	80	167	206	313	393	426	639	1135	802	1380	1890	2900	2660
Tobacco USc/kg								162	124	173	212	294	233

Sources: Grain Marketing Board Annual Accounts (1980-1998); Ministry of Agriculture Statistical Bulletin, 1996; Tobacco Marketing Board (2004) – personal communication.



## 5) Table 2.11 Agricultural Growth

<u>Country</u>	<u>Average</u> annual growth rate (Per cent)		<u>Difference</u> between 1981-86 and 1987-91 (percentage points)
	1981-86	1987-91	
Ghana	-0.2	2.0	2.2
Tanzania	3.4	5.3	1.9
Zimbabwe	5.3	0.6	-4.7
Kenya	3.4	3.1	-0.3
Zambia	3.8	2.1	-1.6
Uganda	-1.8	4.7	6.4

Source: *IMF and World Bank Data 1995*

## 6) Table 2.12 Zimbabwe's Trade Liberalisation and Economic Performance

	Before Trade Liberalisation 1985-91	After Trade Liberalisation 1992-97
<u>Real GDP Growth</u>	6.5%	3.2%
Agriculture	6.6%	10.0%
Manufacturing	8.9%	-0.7%
Mining	4.5%	2.3%

Source: *IMF and World Bank, 2000*

### 2.14 Recent Development Reports in the Literature.

This research covered the period from 1975 to 2000 in Zimbabwe. However the mood was changing in the donor community from structural adjustment to a different approach, in response to many internal criticisms and problem associated with “the one medicine fit all philosophy”. The move was toward the bottom up approach based on sustainable development and this began to be articulated in the Earth Summits culminating in the 2002 Johannesburg Conference World Summit on Sustainable Development (WSSD), convened by the United Nations Development Programme (UNDP).

Whilst the literature and this development gathered momentum after the time datum of this research it is necessary to consider some key literature for two reasons:

- Structural adjustment as a tenet of economic development by IMF/WB in the late 1990s and early 2000s is evolving into the philosophy of sustainable



development. This is a bottom up approach as opposed to SAPs top down imposed approach.

- Many of the proposals in sustainable development approach have been recommended in the proposed model from this research. The key elements of sustainable development are (World Commission on Environment and Development, 2002): (a) reviving growth, (b) changing the quality of growth, (c) meeting essential needs for jobs, food, energy, water and sanitation, (d) ensuring a sustainable level of population, (e) conserving and enhancing the resource base, (f) re-orienting technology and managing risk, and (g) merging environment and economics in decision making.

All too often sustainable development is seen as an outcome, a tangible situation people strive to define and arrive at rather than a process of planned change or managed learning (Sriskandarajah, 1991). Obviously this process must involve the building of sustainable relationships between people and between people and their environment.

The Johannesburg Conference 2002 created an opportunity to address critical questions facing international institutions such as the Bretton Woods Institutions and World Trade Organisation as regards their role in meeting globally sustainable development, as well as to address the need to adjust their structural adjustment models (Gardiner, 2002).

The Conference tackled new, critical issues that are facing the world in a new century of wholesale globalisation (Coates, 2002). Key issues to include aspects relating to greater accountability, equity and justice for sustainable ends (Bond, 2002).

Muuka (1998) observed that the IMF/WB were aware that the supply response to adjustment in Africa has been slow because of the legacy of deep-seated structural problems. Hence the two Institutions are now increasingly aware that policy change via Model reconstruction, institutional strengthening, infrastructure development, land reform and other major hurdles to economic development have to be addressed if growth and poverty alleviation in SSA are to be achieved.



Agricultural development paradigms have gone back and forth between defining agriculture as the engine for growth through cash and export cropping and emphasising food production, import substitution and food self-sufficiency. Development practitioners now generally agree on the need to increase agricultural productivity, lower higher transportation and rural transfer costs, increase rural employment, integrate remote and lower-potential areas into the national growth strategies and ensure that Africans design and implement future strategies (Gardiner, 2002).

### **2.15 Conclusions of the Literature Review.**

This chapter presented the findings from the literature review. The background of the literature search was provided through presenting the operations and objectives of the IMF and WB vis-à-vis the reform programmes. The economic and political performance of the selected six SSA countries from the pre-independence era into post-independence era was also presented. The literature search provided information on why the countries took the SAP route and how they performed once this route was taken. This was followed, using the same format of review, by detailed study of Zimbabwe the main case under scrutiny.

The literature review has shown that reform programmes have produced results which are very varied. Ghana and Uganda were reformers that grew rapidly and reduced poverty. But Cote d'Ivoire although showing positive results, it still remains to be seen if this will be sustained. In these countries reform programmes played a significant role in transforming, contributing ideas about development policy, training for public policymakers and finance to support reform and an expansion of public services.

In the remaining countries, including Zimbabwe, reform programmes changed little or even got worse. On the flip side, reform programmes have been at times been an unmitigated failure. While the former Zaire's Mobutu Sese Seko was reportedly amassing one of the world's largest personal fortunes (invested, naturally, outside his own country) decades of large-scale foreign assistance left not a trace of progress (World Bank, 1998). Zaire is just one of several examples where a steady flow of aid



ignored, if not encouraged, incompetence, corruption and misguided policies. In Zimbabwe the international donor agencies, in particular the IMF and WB, did not appear to be concerned by the excessively high defence expenditure for a country with little internal or external security threat at the expenses of the resettlement programme (Muir-Leresche, 1999).

These are cases where all countries were given similar prescriptions by IMF/WB to cure their ailing economies. The literature search showed that finance has little impact. Reform programmes need to rely on other instruments to support development in the distorted environments. To have a greater effect on global poverty reduction through equitable and sustainable development, reform programmes require a three-way partnership among recipient countries, aid agencies and donor countries.

Literature search has shown that for reform programmes to be effective recipient governments must be pro-reforms. In Zimbabwe, the government and President Mugabe were principal obstacles to reforms because they did not believe in them. President Mugabe has always believed that by subscribing to reforms his government was being re-colonised. Hence there is little evidence of economic success in the country.

It was also shown that there was little evidence to show that the people to be affected by reform, in this case the farmers, were consulted at all. There is need to put people's needs, aspirations and capabilities at the centre of the development effort (United Nations, 1999). It means empowering people to make them the principal actors of a pro-growth, job-creating, and poverty reducing environment/scene.

Environmental issues have also been presented. For example, droughts in SSA have impacted negatively on SAP's. In Zimbabwe the 1992 drought had negative consequences for fiscal deficit targets and the performance of public enterprises (Catholic Commission for Justice and Peace, 1995). The over and improper use of crop chemicals and fertilisers is causing devastation to the environment including soil fertility.



The literature search brought out evidence that SSA countries were specifically different in their economic development before and after independence, depending on the colonial rulers; the people were oriented and educated differently; climatic conditions vary from country to country; and political maturity at independence varied. Therefore it is imperative that there is a need for an alternative reform model which is country specific.

Gordon (2002) observed that the dissimilarity in the macroeconomic structures and fundamentals between Zimbabwe and the Asian economies concluded that the turbulence in Zimbabwe's financial markets was due to *factors specific to Zimbabwe* rather than contagion from Asia. To a country characterised by weak macroeconomic fundamentals were added the war veterans' gratuities and the easing of monetary policy. Both of these threatened to fuel the fiscal deficit and inflation and there was a wave of labour discontent, the handling of the land question and uncertainty about the future direction of economic policies. These country-specific factors acted to erode market sentiment such that Zimbabwe became a real candidate for crisis given the tendency of market analysts to focus on a limited number of variables in assessing economy's ground rules. The above statements confirm that the SAP's should be country-specific and not a one prescription for all. This supports the objective of this thesis which is to find an alternative structural adjustment framework.

In the next chapter the research process directing this study is discussed. This includes the research philosophy, approaches, strategies, data collection methods and field work strategies.



## **CHAPTER THREE**

### **THE RESEARCH PROCESS**



## **Chapter 3 The Research Process**

### **3.0 Introduction**

This chapter will cover the research process adopted by this doctoral survey. This research used a multi-stage process which included among other issues the research philosophy, approaches, strategies, data collection methods through to interview schedule. The chapter is concluded by a summary.

### **3.1. Research philosophy**

The purpose of considering research philosophy is to understand the philosophy that underpins the choices and decisions to be made in staking a research position (Carson, Gilmore, Perry and Gronhang, 2001). A research position will have implications for what, how and why research is carried out (Bryman and Bell, 2007). Carson et al, (2001) state that consideration of the philosophy of research helps to contribute a deeper and wider perspective of research so that specific research projects can have a clearer purpose within the wider context.

All research (whether qualitative or quantitative) is based on some underlying assumptions about what constitutes 'valid' research, which research methods are appropriate and one's view of 'reality'. Guba (1990) describes philosophy as generally seen to comprise two components:

- Ontology – being the branch of philosophy dealing with nature of reality.
- Epistemology – dealing with the issue of 'how do we know' or what is the nature of the relationship between knower and known?

#### **3.1.1 Ontology.**

The Wikipedia Free Encyclopaedia (2000) describes ontology as “a study of conceptions of reality and the nature of being. It is the study of being or existence and forms the basic subject matter of metaphysics. It seeks to describe or posit the basic categories and



relationships of being or existence to define entities and types of entities within its framework”.

This research will take the Postpositivist stance instead of the Posivist stance. This is because positivism is rarely evident in fully developed form in contemporary research, but is most usually identified with quantitative research (Rotheray, 1993; Thyer, 1989). This research will take a qualitative inquiry which suits the postpositivist stance.

The argument for using the postpositivist paradigm can be made persuasively when the entities being studied are human beings. The research uses respondents from the farming communities and agricultural companies in Zimbabwe, academics and personnel from IMF/WB. The aim of this research is to determine the impact of SAP frameworks (as designed by IMF, WB and the international donor community) specifically relating to agricultural production and marketing strategies on the farmers in SSA and in Zimbabwe in particular, and propose an alternative framework which is country-specific.

Further arguments in support of the postpositivist stance are summarised here (Heron, 1996):

- ***The argument from the nature of research behaviour.*** Researchers cannot define one model or framework of behaviour for themselves and a different one for their respondents. If the basic model for research behaviour is that of “intelligent self-direction”, then, to be consistent, the same model must be applied to the respondents.
- ***The argument from intentionality.*** For the necessity of checking with respondents to be sure that their intentionality and researcher’s interpretation of it coincide.
- ***The argument from language.*** Language formation is interpreted as an archetype of inquiry itself. When human beings communicate they must agree on the rules of language they will follow. Hence the use of language contains within itself the model of cooperative inquiry. In this research the respondents will have a choice



of three languages, (English, ChiShona and SiNdebele) as their mode of communicating with the researcher.

- ***The argument from an extended epistemology.*** While science as product takes the form of a set of propositional statements, the process of scientific inquiry involves not only propositional knowledge but also practical knowledge (the skills, proficiencies of doing research work) and experiential knowledge (knowing a person or thing through sustained encounters).
- ***The argument from axiology.*** The truth of a proposition depends on shared values. The data that researchers generate depend upon their procedural norms, which in turn depend upon their shared values. If the facts are about persons other than the researchers, “they have indeterminate validity, no secure status as truths, until we know whether those other persons assent to and regard as their own the norms and values of the researchers”.
- ***The moral and political argument.*** Research in the conventional sense usually exploits people. Knowledge is power that can be used against the people from whom the knowledge was generated. The current government in Zimbabwe does not take too kindly to people who go round interviewing or talking to people, especially farmers in the rural areas. The paradigm postpositivism avoids some of these difficulties because: (a) it honours the fulfilment of the respondents’ need for autonomously acquired knowledge; (b) it protects them from becoming unwitting accessories to knowledge-claims that may be false and may be inappropriately or harmfully applied to others; (c) it protects them from being excluded from the formation of knowledge that purports to be about them and so from being managed and manipulated in ways they do not understand and so cannot assent to or dissent from.

By taking the postpositivist stance, the following approach by Patton (2002) which has been adopted in this research is justified:



- What do we believe about the nature of reality? (*Ontological* debates concerning the possibility of a singular, verifiable reality and truth versus the inevitability of socially constructed multiple realities).
- How do we know what we know? (*Epistemological* debates about the possibility and desirability of objectivity, subjectivity, causality, validity, generaliseability).
- How should we study the world (or the research being undertaken)? (*Methodological* debates about what kinds of data and design to emphasize for what purposes and with what consequences).
- What is worth knowing? (*Philosophical* debates about what matters and why).
- What questions should we ask? (*Disciplinary* and interdisciplinary debates about the importance of various burning questions, inquiry traditions and areas of inquiry).
- How do we personally engage in inquiry? (*Praxis* debates about interjecting personal experiences and values into the inquiry, including issues of voice and political action).

Finally, Lincoln and Guba (1985) list the following critiques and challenges against the positivism stance:

- Positivism is unable to deal adequately with two crucial and interacting aspects of the theory – fact relationship, that is, (a) the under-determination of theory, sometimes also called the problem of induction and (b) the theory – ladenness of facts (the apparent impossibility of having facts that are not themselves theory – determined).
- Positivism is overly dependent on operationalism, which has itself been increasingly judged to be inadequate – operationalism is simply not meaningful or satisfying; too slow and results in a meaningless splintering of the world.
- Positivism has at least two consequences that are both repugnant and unfounded:
  - (a) determinism - repugnant because of its implications for human free will and unfounded because of recent findings in many fields that argue strongly against it;



(b) reductionism – repugnant because it would make all phenomena including human phenomena ultimately subject to a single set of laws, and unfounded because of recent findings in many fields including mathematics and physics.

- Positivism has produced research with human respondents that ignore their humanness, a fact that has not only ethical but also validity implications.
- Positivism falls short of being able to deal with emergent conceptual/empirical formulations from a variety of fields; three examples come to mind, (a) Incompleteness Theorem which states that no axiomatic system of mathematics is able to provide information about both the completeness and consistency of that axiomatic system; (b) Uncertainty Principle which asserts that the position and momentum of an electron cannot both be determined because the action of the observer in making either measurement inevitably alters the other; and (c) the observation which asserts that no theory compatible with quantum theory can require spatially separated events to be independent. The consequences of these three formulations, as well as others, for the basic premises of positivism, including ontology, objectivity, and causality are devastating.
- Positivism rests upon at least five assumptions that are increasingly difficult to maintain:
  - a) An ontological assumption for a single, tangible reality out there that can be broken apart into pieces capable of being studied independently; the whole is simply the sum of the parts.
  - b) An epistemological assumption about the possibility of separation of the observer from the observed – the knower from the known.
  - c) An assumption of the temporal and contextual independence of observations, so that what is true at one time and place may, under appropriate circumstances (such as sampling) also be true at another time and place.
  - d) An assumption of linear causality; there are no effects without causes and no causes without effects.



- e) An axiological assumption of value freedom, that is, that the methodology guarantees that the results of an inquiry are essentially free from the influence of any value system (bias).

Key aspects of the positivist and postpositivist paradigms are shown below:

**Table 3.1 Positivist and Postpositivist Paradigms**

Value.	Positivist Paradigm	Post Positivist Paradigm
Basic Beliefs	The world is external and objective. Independent observer. Science is value free.	Socially constructed and subjective. Observer and observed are linked.
Researcher should:	Focus on facts. Seek causality and fundamental laws. Employ reduction on phenomena. Formulate and test hypothesis.	Focus on meanings. Attempt to understand what is going on. Look at totality of each situation. Develop ideas through induction from data.
Preferred methods:	Operationalise concepts for measurement. Take large samples.	Utilise different methods. Small samples for in-depth investigation.

Source: Based on Brown, S. 1995. Sources and Status of Marketing theory, in Baker, M. J. (Ed), 1995. 3<sup>rd</sup> Edition. *Marketing Theory and Practice*, pp 23 – 40. MacMillan Press. Basingstoke.

### 3.1.2. Epistemology

The branch of philosophy that studies the nature of knowledge, in particular its foundations, scope, and validity (Wikipedia Free Encyclopaedia, 2000). It is the theory of knowledge concerned with the nature and scope of knowledge, being (i) expertise and skills acquired by a person through experience or education; (ii) what is known in a particular field or in total; facts and information or (iii) awareness or familiarity gained by experience of a fact or situation. Focus being on analysing the nature of knowledge and how it relates to similar notions such as truth, belief and justification.



This research is approached with an immense background, by the researcher, to agricultural production issues in Zimbabwe and surrounding countries, for example Zambia, Malawi, Botswana and Mozambique. The researcher's experience covers the period from 1973 to 2000. This involved working during the colonial period to independence and having worked for government as Zimbabwe's Chief of Agricultural Production, parastatals and private sector (worked for two Transnational Corporations). During the time the researcher worked for the Ministry of Agriculture he was charged with producing and presenting agricultural programmes for the national radio and television stations. This experience helped to develop the skills required for conducting interviews in this research study. Patton (2002) recommends that the credibility of the researcher be known because he or she is the instrument in qualitative inquiry, a qualitative report should include some information about the researcher.

This research study is a build up from the researcher's previous work in the Masters in Business Administration degree in which "The Impact of Trade Liberalisation on the Cotton Industry in Zimbabwe with Special Reference to Production and Marketing Strategies" was researched. Along with the present Director of Studies the gaps that existed in the Research Methodology were identified and were met successfully by taking the Research Methods in Business and Management Styles Programme (up to Postgraduate Certificate) at the University of Derby.

### **3.1.3. Nature of the inquiry**

This research will take a **qualitative inquiry**. Qualitative methods are first and foremost research methods. There are ways of finding out what people do know and feel by observing, interviewing, and analysing documents. Creswell (1998) defines qualitative research as an inquiry process of understanding based on distinct methodological traditions of inquiry that explore a social or human problem (this research is investigating the impact SAP's on the livelihoods of agricultural farming people of SSA). The researcher builds a complex holistic picture, analyses words, reports, detailed views of informants and conducts the study in a natural setting (Creswell, 1998). According to Hull (1997) the purpose of qualitative research is to understand human experience to



reveal both the process by which people construct meaning about worlds and to report what those meanings are.

#### **3.1.4. Overview of qualitative research**

According to Myers (1997), research methods can be classified in various ways, however one of the most distinctive ways is between qualitative and quantitative research methods. Quantitative research methods were originally developed in the natural sciences to study natural phenomena, states Straup, Gefen and Boudreau (2004). Examples of quantitative methods now well accepted in the social sciences include survey methods, laboratory experiments, formal methods (econometrics) and numerical methods such as mathematical modelling.

Qualitative research methods were developed in the social sciences to enable researchers to study social and cultural phenomena (Myers 1997). Examples of qualitative methods are action research, case study research and ethnography. Myers (1997) states that qualitative data sources include observation and participant observation (fieldwork), interviews and questionnaires, documents and texts, and the researcher's impressions and reactions.

My motivation for doing qualitative research, as opposed to quantitative research, comes from the observation that, if there is one thing which distinguishes humans from the natural world it is our ability to talk. Qualitative research methods are designed to help researchers understand people and the social and cultural contexts within which they live. Kaplan and Maxwell (1994) argue that the goal of understanding phenomena from the point of view of the participants and its particular social and institutional context is largely lost when textual data are quantified. The data for qualitative analysis typically come from fieldwork. During fieldwork, the researcher spends time in the setting under study – a programme, an organisation, a community, or wherever situations of importance to a study can be observed, people interviewed, and documents analysed (Patton 2002).



### **3.1.5. Characteristics of qualitative research**

This method of inquiry has been selected because of the following characteristics (Eisner 1991; Hull 1997; Lee, Mitchell and Sablynski 1999; Merriam 2002; Nasser 2001; Patton 2002):

- Qualitative inquiry occurs in natural settings, typically examining a small number of sites, situations, or people over an extended period of time.
- Qualitative inquiry has an interpretive character. The data are derived from participants' perspectives and researchers' attempts to understand the world from participants' frames of reference and the meaning people have constructed of their experiences.
- Reporting is rich with quotation, narration and detail – what is termed “thick description”.
- Researchers are themselves the instrument for data collection and analysis through observing, participating, and interviewing. They acknowledge and monitor their own biases and subjectivities and how these colour interpretation of data.
- Typical techniques are observation, field notes, archival records of events or perspectives (in order to confirm, supplement, or elaborate on primary sources), interviews, and questionnaires.
- The process is inductive; data are collected to build concepts, hypotheses, or theories from observations and intuitive understandings.
- The process is flexible; research designs can be changed to match the dynamic needs of the situation.
- The research problem typically (i) is related to lack of theory or previous research; (ii) may be derived from the notion that existing theory may be inaccurate, inappropriate, or biased; (iii) may be based on the need to describe phenomena or develop theory; or (iv) may involve phenomena that are not suited to the use of quantitative measures.



### **3.1.6. Assessing the quality of qualitative research**

Regardless of which research tradition is followed, the quality of the research is paramount if the findings are to be credible and usable. This research study will follow guidelines for qualitative research as articulated by Lincoln and Guba (2002), Bryman and Bell (2007) and Patton (2002):

- **Credibility.** The credibility of this qualitative thesis will depend on three distinct but related inquiry elements: (a) rigorous methods of doing fieldwork that yield high-quality data that are systematically analysed with attention to issues of credibility; (b) the credibility of the researcher, which is dependent on training, experience, track record, status and presentation of self; (c) philosophical belief in the value of qualitative inquiry, that is, a fundamental appreciation of naturalistic inquiry, qualitative methods, inductive analysis, purposeful sampling and holistic thinking. In this research study the results of the literature review and the respondents will be used to judge the credibility of the thesis.
- **Transferability.** The degree of transferability is a direct function of the similarity between two contexts, what can be called fittingness. Fittingness is defined as degree of congruence between sending and receiving contexts. One of the objectives of this thesis is to propose a Zimbabwean-specific model for use in agricultural reform operations but given similar or like instances it could be transferred to other SSA countries. A thorough research study will enhance the transferability of the research results.
- **Dependability.** This will be achieved, in this research, through an audit-trail, that is, documentation of the methods, procedures, and decisions made; the same selection; and explanation of the categories used. This research will use Marshall and Rossman (1995) audit trail to judge the goodness of this thesis. (See Appendix 7).
- **Confirmability.** While this research will recognise that complete objectivity is impossible in business research, this researcher will be able to show that he acted in good faith, that is, it should be apparent that I have not overtly allowed personal values or theoretical inclinations manifestly to sway the conduct of the research



and findings derived from it. It is proposed that establishing confirmability should be one of the objectives of auditors.

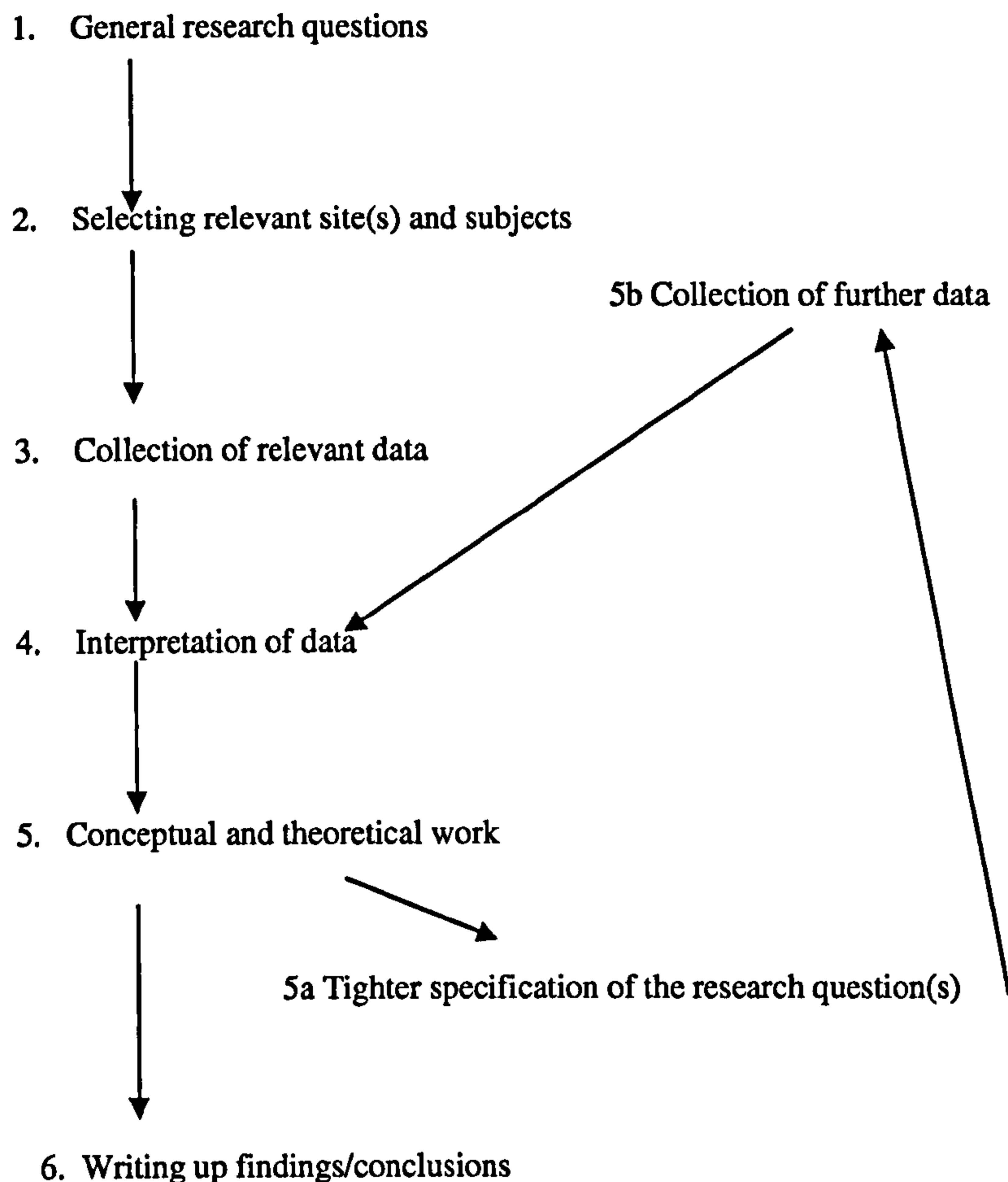
- **Authenticity.** The criteria of authenticity raise a wider set of issues concerning the wider political impact of research. Fairness – the research must show that it fairly represent different viewpoints among members of the social setting. Ontological authenticity – the research must help members to arrive at a better understanding of their social milieu.
- **Validity.** Validity will be used to determine whether this research truly measures that which it was intended to measure, that is, as mentioned and described in the aims and objectives of this thesis. In this research as explained above credibility, transferability, dependability and confirmability are offered as criteria for judging the soundness of qualitative research. The validity of this thesis will also be enhanced by showing the respondents excerpts of the interpretation of the interviews. The idea behind this is that respondents will be in a position to corroborate or disapprove the research interpretations. Interview questions will be tailored to induce respondents to agree or disagree with these interpretations.

Patton (2002) states that although qualitative research has been criticised for lacking rigour in terms of the standards of quantitative research, “rigour” does not necessarily equal quantification. Imel et al (2002) concludes that quantitative research is not synonymous with objectivity and qualitative research with subjectivity. It should be noted that both are influenced by human decisions. Therefore, as noted by Hemingway (2001), each method must be judged against the standard of what it claims to accomplish.

The sequence outlined in Figure 3.1 provides a representation of how the qualitative research process in this thesis was carried out.



**Figure 3.1 An outline of the main steps of qualitative research**



Source: Bryman, A. and Bell, E. (2007). *Business Research Methods* p.283 Oxford University Press.

Garrison and Shale (1994) conclude that both types require rigour in developing knowledge, defining knowledge as the construction of information so that it reduces the complexity of particularisation and has meaning for others in similar situations. Patton (2002) adds that the method and standard of establishing credibility are relative to the purpose and context of the research. Garrison and Shale (1994) urge a dialectical process of conceptualising both subjective and objective realities and promoting a synthesis, suggesting that empirical observation is meaningless without imaginative engagement of various possibilities.

### 3.1.7. Pitfalls in qualitative research

Engaging in qualitative research demands that one appreciates and understands some of the pitfalls associated with doing this type of research. A number of common concerns



related to qualitative research are found in the literature. Creswell (1998); Skinner, Tagg and Holloway (2000) state that a lot of time and resources are involved in collecting and analysing qualitative data. A related concern involves depending on others for access to documents such as diaries, logs, and other records (Skinner, Tagg and Holloway, 2000). Patton (2002) warns that a researcher must be sure that the qualitative approach used fits the research questions (questions about people's experiences; inquiry into the meanings people make of their experiences; studying a person in the context of her or his social/interpersonal environment) and research where not enough is known about a phenomenon for standardised instruments to have been developed or even to be ready to be developed.

Imel et al (2002) state that another pitfall has to do with inadequate description of how qualitative research studies have been conducted. Two areas in which this frequently occurs are discussion of data reduction techniques and descriptions of interviews. Researchers need to provide enough detail for their studies to be replicated either figuratively or literally and so that readers can understand the basis on which inferences have been made (Lee, Mitchell and Sablynski, 1999).

Patton (2002) summarises the disadvantages of using qualitative research as being:

- The very subjectivity of the inquiry leads to difficulties in establishing the reliability and validity of the approaches and information.
- It is very difficult to prevent or detect researcher induced bias.
- Its scope is limited due to the in-depth, comprehensive data gathering approaches required.

As stated earlier the aim of this research is to determine the impact of SAP frameworks (as designed by IMF, WB and the donor community) specifically relating to agricultural production and marketing strategies on the farmers in SSA and in Zimbabwe in particular, and propose an alternative framework which is country specific.

### **3.2 Research approaches**

Easterly-Smith, Thorpe and Lowe (1991) suggest three reasons why the approach to the research project is important. It enables one to take a more informed decision about one's



research design which is more than simply the methods by which data are collected and analysed. It is the overall configuration of a piece of research, that is, what kind of evidence is gathered and from where, and how much such evidence is interpreted in order to provide good answers to the basic research question.

Secondly, it will help one to think about those research approaches that will work and crucially those that will not. For example, if one is particularly interested in understanding why something is happening rather than being able to describe what is happening it may be more appropriate to adopt either the inductive or deductive approach.

Lastly, the knowledge of the different research traditions enables one to adopt one's research design to cater for constraints. These may be practical, involving, for example, limited access to data, or they may arise from a lack of prior knowledge of the subject.

Saunders, Lewis and Thornhill (2003) emphasise that the extent to which one is clear about the theory at the beginning of one's research raises an important question concerning the design of the research project. Patton (2002) mentions two approaches to select from. The deductive approach in which one develops a theory and hypothesis (hypotheses) and design a research strategy to test the hypothesis, or the inductive approach, in which one would collect data and develop theory as a result of the data analysis.

### **3.2.1 Deductive and Inductive approaches**

Deductive entails the development of a conceptual and theoretical structure prior to its testing through empirical research methods (Carson et al. 2001). It begins with some kind of abstract conceptualisation and moves on to testing through the application of theory in order to create new experiences or observations (Gill and Johnson, 1991). Deductive reasoning works from the more general to the more specific, points out Trochin (2002). Sometimes this is informally called a top – down approach. That is, one might begin with thinking up a theory about a topic of interest and then narrow this down into more



specific hypotheses that can be tested. This can be narrowed down further when observations are collected to address the hypotheses. This will ultimately lead to test the hypotheses with specific data and a confirmation or not of the original theories.

Deductive theory represents the commonest views of the nature of the relationship between theory and research (Bryman and Bell, 2007).

Trochin (2002) states that inductive reasoning works the other way, moving from specific observations to broader generalisations and theories. Informally this is called bottom up approach. In inductive reasoning we begin with specific observations and measures and begin to detect patterns and regularities. From there formulate some tentative hypotheses that we can explore, and finally end up developing some general conclusions or theories.

Induction is based on reflections of particular past experiences, through the formulation of abstract concepts, theories and generalisations that explain the past and predict future experience (Carson et al. 2001).

In this research study the inductive approach will be adopted, via interviews, on a sample of farmers in their natural setting in order to find out their experience of working/farming under SAPs. The purpose here would be to get a feel of what is going on, so as to understand better the nature of the problem. The task then would be to make sense of the interview data collected by analysing the data. The result of this analysis would be the formulation or development of an alternative model/framework of SAP's which more user friendly to Zimbabwe are and to similar economies in SSA; or that the results might indicate that there is no need to change the status quo.

Patton (2002) argues that inductive analysis contrasts with the hypothetical – deductive approach of experimental designs that require the specification of main variables and the statement of specific research hypotheses before data collection begins. As a qualitative analyst, I will seek to understand the multiple interrelationships among dimensions that emerge from data without making prior assumptions or specifying hypotheses about



linear or correlative relationships among narrowly defined, operationalised variables. For example, an inductive approach to programme evaluation means that understanding the nature of the intervention that emerges from direct observations of programme activities and interviews with participating farmers.

Patton (2002) adds the following points:

- A structured, multiple-choice questionnaire requires a deductive approach because items must be predetermined based on some theory or pre-ordinate criteria, for example, programme goals about what is important to measure.
- An open-ended interview, as will be done in this research, by way of contrast, permits the respondent to describe what is meaningful and salient without being pigeon holed into standardised categories.

**Table 3.2 Deductive and Inductive Approaches**

<b>Major differences between deductive and inductive approaches to research</b>
<p>Deduction emphasises:</p> <ul style="list-style-type: none"> <li>❖ Scientific principles.</li> <li>❖ Moving from theory to data.</li> <li>❖ The need to explain causal relationships between variables.</li> <li>❖ The collection of quantitative data.</li> <li>❖ The application of controls to ensure validity of data.</li> <li>❖ The operationalisation of concepts to ensure clarity of definition.</li> <li>❖ A highly structured approach.</li> <li>❖ Researcher independence of what is being researched.</li> <li>❖ The necessity to select samples of sufficient size in order to generalise conclusions.</li> </ul>
<p>Induction emphasises:</p> <ul style="list-style-type: none"> <li>❖ Gaining an understanding of the meanings humans attach to events.</li> <li>❖ A close understanding of the research context</li> <li>❖ The collection of qualitative data.</li> <li>❖ A more flexible structure to permit changes of research emphasis as the research progresses.</li> <li>❖ A realisation that the researcher is part of the research process.</li> <li>❖ Less concern with the need to generalise.</li> </ul>

Source: Saunders M, Lewis P, and Thornhill A (2003). *Research Methods for Business Students* p.89. Prentice Hall



Although the impression has been conveyed here that there are rigid divisions between the two approaches to research, Saunders, et al (2003) argue that not only is it perfectly possible to combine the approaches within the same piece of research but it is often advantageous to do so. Patton (2002) explains that some evaluation or research questions may be determined deductively, while others are left sufficiently open to permit inductive analysis based on direct observation. Indeed, over a period of inquiry an investigation may flow from inductive approaches, to find out what the important questions and variables are, to deductive hypothesis-testing or outcome measurement aimed at confirming and/or generalising exploratory findings, then back again to inductive analysis to look for rival hypotheses and unanticipated or unmeasured factors. This research study will combine the use of the two approaches, but the inductive approach will take the lead.

Patton (2002) supports this by saying that as fieldwork begins; the inquirer is open to whatever emerges from the data, a discovery or inductive approach. Then, as the inquiry reveals patterns and major dimensions of interest, the investigator will begin to focus on verifying and elucidating what appears to be emerging – a more deductive approach to data collection and analysis.

In making this point, Guba (1978), has depicted the practice of naturalistic as a wave on which the investigator moves from varying degrees of a discovery mode to varying emphasis of a verification mode in attempting to understand the real world.

An underlying premises of many qualitative researchers is that the subject matter of the social sciences, that is, people and their social world, does differ from the subject matter (atoms, molecules, gases, chemicals and metals) of the natural sciences (Bryman and Bell, 2007). Therefore, in doing the inductive approach the view of 'reality' used will be interpreted from the perspective of the people being studied in this research, that is, the farmers and agricultural companies. As a qualitative researcher I will commit myself to view events and the social world through the eyes of the people that will be studied.



### **3.3. Research strategy**

Marshall and Rossman (1999) define research strategy as a road map, an overall plan for undertaking a systematic exploration of the phenomenon of interest; the research methods are the specific tools for conducting that exploration. This section discusses the research strategy used/employed in this research. What matters is not the label that is attached to a particular strategy, but whether it is appropriate for a particular research question(s) and objectives, points out Saunders, et al (2003). Strategies should not be thought of as being mutually exclusive. Some examples of available strategies:

- Experiment
- Survey
- Case study
- Ethnography
- Action research
- Cross-sectional and longitudinal studies
- Exploratory, descriptive and explanatory studies.

#### **3.3.1 Case Study**

This research study will use the case study strategy. Bryman and Bell (2007) state that a case study can be a single organisation or a single location or a person or a single event. Robson (2002:178) defines case study as a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence. This strategy will be of immense interest to a researcher like me who wishes to gain a rich understanding of the context of the research and the process being enacted. Saunders, et al (2003) note that the case study strategy also has considerable ability to generate answers to the question ‘why?’ as well as the ‘what?’ and ‘how?’ questions. Novelist and poet Rudyard Kipling showed how to ask open ended questions when he wrote: “I keep six honest serving-men (they taught me all I knew); their names are What and Why and When and How and Where and Who”. These questions will be asked to the participants in this doctoral research. The case study uses various data collection methods but of interest to this research will be the interviews, questionnaires and documentary analysis (which is part of the literature search/review).



As a research strategy, the case study is used in many situations including (Yin, 1994):

- Policy, political science, and public administration research.
- Community psychology and sociology.
- City and regional planning research, such as studies of plans, neighbourhoods, or public agencies.
- The conduct of dissertations and these in the social sciences – the academic disciplines as well as professional fields such as business administration, management science, and social work.

Yin (1994) observes that , the essence of a case study, the central tendency among all types of case study, is that it tries to illuminate a decision or set of decisions: why they were taken, how they were implemented, and with what result. In this research I will be looking at why countries engage in SAP's, how they go about them and search for the end result and impact. The entire study will be bounded by the nature of the research problem, the evaluand, or the policy option being investigated (which are, however, themselves subject to revision and extension as the study proceeds).

Patton (2002) cites Hamel, Dufour and Fortin (1993) in order to clear some confusion in the qualitative literature about case study terminology. They state that case studies employ various methods which include interviews, participant observation and field studies. Their goals being to construct and analyse a case from a sociological perspective. Therefore, they conclude, it would be more appropriate to define the case study as an approach although the term case method suggests that it is indeed a method. Patton (2002) warns that whatever term or phrase is used, case studies depend on clearly defining the object of the study, that is, the case.

Weeks of fieldwork may result in a single case study that describes a village, community, neighbourhood, and organisation or programme (Patton, 2002). He expands explaining that, a single case study is likely to be made up of many smaller cases – the stories of specific individuals, families, organisational units, and groups. This research will follow



the same route in that it will conduct interviews to various selected representatives of farming groups and organisations in Zimbabwe. Each participant will be treated as a case (micro) (the same will be done to the groups or organisations which will combine to make the macro cases). Cases here are being treated as units of analysis. Patton (2002) calls these layered or nested case studies.

Patton (2002) concludes that this kind of layering recognises that you can always build layered case units out of smaller ones, that is, you can always combine studies of individuals into studies of a programme, but if you only have programme-level data, you cannot disaggregate it to construct individual cases.

### **3.3.1.1 Advantages of the Case Study Strategy**

Case studies have a number of advantages that make them attractive to this doctoral study and these are listed as follows (Adelman, Jenkins and Kemmis [1980]):

- i. Case study data, paradoxically, is strong in reality but difficult to organise. In contrast, other research data are often weak in reality but susceptible to ready organisation. This strength in reality is because case studies are down-to-earth and attention holding, in harmony with the reader's own experience, and thus provide a natural basis for generalisation.
- ii. Case studies allow generalisations either about an instance or from an instance to a class. Their peculiar strength lies in their attention to the subtlety and complexity of the case in its own right.
- iii. Case studies recognise the complexity and embeddedness of social truths. By carefully attending to social situations, case studies can represent something of the discrepancies or conflicts between the viewpoints held by participants.
- iv. Case studies may form an archive of descriptive material sufficiently rich to admit subsequent reinterpretation. (There is an obvious value in having a data source for researchers and users whose purposes may be different from this research study).
- v. Case studies are a step to action. They begin in a world of action and contribute to it.



- vi. Case studies represent research or evaluation data in a more publicly accessible form than other kinds of research report, although this virtue is to some extent bought at the expense of their length. The case study is capable of serving multiple audiences/participants (as is the case in this research study). Case studies may contribute towards the democratisation of decision-making and knowledge. At its best, they allow readers to judge the implications of a study for themselves.

Lincoln and Guba (1985) give the following as advantages of using case studies as a research strategy:

- i. The case study is the primary vehicle for emic (naturalistic) inquiry.
- ii. The case study builds on the reader's tacit knowledge, presenting a holistic and lifelike description that is like those that the readers normally encounter in their experiencing of the world, rather than being mere symbolic abstractions of such.
- iii. The case study provides the reader an opportunity to probe for internal consistency. This characteristic does not refer simply to stylistic or factual consistency but more important, to trustworthiness.
- iv. The case study is an effective vehicle for demonstrating the interplay between inquirer and respondents. The nature and impact of this interaction can be judged from a case report to a far better extent than from a technical report. The reader has an opportunity to judge the extent of bias of the inquirer, whether for or against the respondents and their society or culture.
- v. The case study provides a grounded assessment of context. The case study represents an unparalleled means for communicating contextual information that is grounded in the particular setting that was studied.

### **3.3.1.2 Disadvantages of the Case Study Strategy**

Lincoln and Guba (1985) note that the case study by itself is probably not a sufficient account of what was done. They suggest that, as done in this chapter, the methodology of the inquiry be communicated as well.



Yin (1994) states that the greatest concern has been over the lack of rigour of case study research. Often the case study investigator has been sloppy and has allowed equivocal evidence or biased views to influence the direction of the findings and conclusions.

Another concern noted by Yin (1994) is that case studies provide little basis for scientific generalisation because it is unwise to generalise from a single case. Hence the reason why this research used various case studies in the form of different farming groups, organisations and associations in order to overcome this concern.

Qualter (1999) lists the following areas to watch out for when doing the case study:

- Proving validity and (where you believe justified) generalisability can be difficult
- If you want to use your findings to argue a point then beware as case studies are often seen as soft data.
- The boundaries of a case are often difficult to define.
- Case study, by definition, is intended to get to the heart of something, the heart being where most sensitivity lies.
- It is hard to judge just what effect undertaking the research is having on the particular case in point.

### **3.3.1.3 Trustworthiness of Case Study Strategy**

Yin (1994) argues that researchers and readers can judge the quality of any given design according to certain logical tests. Concepts that have been offered for these tests include trustworthiness, credibility, confirmability and data dependability (US General Accounting Office, 1990).

There are four tests, cited by Yin (1994) which are relevant to case study research and these will be used in this research study. Table 3.3 shows these tests and the recommended case study tactic.



**Table 3.3 Case Study Tactics Four Design Tests**

Tests	Case Study Tactic.	Phase of research in which Tactic Occurs
Construct Validity	Use multiple sources of evidence. Establish chain of evidence. Have key information and review draft case study report.	Data collection  Data collection  Composition
Internal Validity	Do pattern matching. Do explanation-building. Do time-series analysis.	Data analysis. Data analysis. Data analysis.
External validity.	Use replication logic in multiple-case studies.	Research design.
Reliability	Use case study protocol. Develop case study data base.	Data collection Data collection

Source: Yin R.K (1994). *Case Study Research: Design and Methods* p.33. Sage Publications

Kidder and Judd (1986) explain the four tests as:

- Construct validity: establishing correct operational measures for the concepts being studied.
- Internal validity: establishing a casual relationship, whereby certain conditions are shown to lead to other conditions, as distinguished from spurious relationships.
- External validity: establishing the domain to which a study's findings can be generalised.
- Reliability: demonstrating that the operations of a study – such as the data collection procedures can be repeated, with the same results.

Lincoln and Guba (1985) summarise the techniques for establishing trustworthiness of case studies in the following manner:



**Table 3.4 Techniques for Establishing Trustworthiness**

Criteria	Technique
Credibility	<p>1. Activities in the field that increase the probability of high credibility.</p> <p>a) Prolonged engagement – investment of sufficient time to achieve certain purposes; learning the culture, testing for misinformation introduced by distortions either of the self or of the respondents, and building trust. Guard against going native.</p> <p>b) Persistent observation – provides depth; is to identify the characteristics and elements in the situation that are most relevant to the problem or issue being pursued and focusing on them in detail.</p> <p>c) Triangulation – the technique of improving the probability that findings and interpretations will be found credible. Four different modes of triangulation exist: the use of multiple and different sources, methods, investigations, and theories. First, the validity of a piece of evidence can be assessed by comparing it with other kinds of evidence on the same point. The second kind of contextual validation is to evaluate a source of evidence by collecting other kinds of evidence about the source.</p> <p>2. Peer debriefing – process of exposing oneself to a disinterested peer. The process helps to keep the inquirer honest. Provides an initial and searching opportunity to test working hypotheses. Provides the opportunity to develop and initially test next steps in the emerging methodological design.</p> <p>3. Negative case analysis – a process of revising hypotheses with hindsight. The object is to continuously refine hypothesis until it accounts for all known cases without exception.</p> <p>4. Referential adequacy – the use of videotape recordings and cinematography provide the means for capturing and holding episodes that could later be examined at leisure. Provides a kind of benchmark against which later data analyses could be tested for adequacy. Tape recordings and archiving of information also fit into this category.</p> <p>5. Member checks (in process and terminal) – this is whereby data, analytic categories, interpretations and conclusions are tested with members of those stakeholding groups from whom the data were originally collected. Member checking is both informal and formal and it occurs continuously. A summary of an interview can be played back to the person who provided it for reaction. Among other things it provides the opportunity to assess intentionality; to correct errors of fact and challenge wrong interpretations; to volunteer additional information.</p>



Transferability.	6. Thick description – providing the necessary description to enable someone interested in making a transfer to reach a conclusion about whether transfer can be contemplated as a possibility.
Dependability.	7a. The dependability audit, including the audit trail – a more direct technique is characterised by overlap methods. Overlap methods are similar to triangulation The examination of the process by which data is collected and kept, in order to satisfy stakeholders that they are not the victims of what is sometimes called creative accounting (research). Examining the product/records from the point of view of their accuracy.
Confirmability.	7b. The confirmability audit, including the audit trail.
All of the above.	8. The reflexive journal – the diary, in which the researcher on a daily basis or as needed, records a variety of information about self and method.

Source: Lincoln Y.S and Guba E.G (1985). *Naturalistic Inquiry*. Beverley Hills, CA: Sage

Finally, Yin (1994) suggests that in order to maximise benefits from case study evidence there are three principles to follow. These can help to deal with problems of establishing the construct validity and reliability of a case study.

- a) Principle 1: Use multiple sources of evidence. Case studies need not be limited to a single source of evidence. In fact, most of the better case studies rely on a wide variety of sources. This also helps in triangulation.
- b) Principle 2: Create a case study database. The case study has much to learn from the practices used with other strategies, in which documentation generally consists of two separate collections, that is, (i) the data or evidentiary base and (ii) the report of the investigator, whether in article or book form.
- c) Principle 3: Maintain a chain of evidence. In order to increase the reliability of the information in a case study maintenance of evidence is crucial. The principle is to allow an external observer – the reader of the case study, for example – to follow the derivation of any evidence from initial research questions to ultimate case study conclusions.

### 3.4. Data Collection Methods.

There are various methods of data collection in the literature. But this section will dwell on those that will be used in this research study. Patton (2002) has this to say on some methods to be employed in this study; qualitative findings grow out of three kinds of data



collection (i) in-depth, open-ended interviews; (ii) direct observation and (iii) written documents. *Interviews* yield direct quotations from people about their experiences, opinions, feeling and knowledge. The data from observations consist of detailed descriptions of people's activities, behaviours, actions and the full range of interpersonal interactions and organisational processes that are part of observable human experience. *Document analysis* (done in this research study via the literature review) includes studying excerpts, quotations, or entire passages from organisational, clinical, or programme records; memoranda and correspondence; official publications and reports; personal diaries; and open-ended written responses to questionnaires and surveys.

The data for this qualitative analysis will come from field work. Two phases of field work will be carried out in Zimbabwe. Patton (2002) states that during field work, the researcher spends time in the setting under study – a programme, an organisation, a community, or wherever situations of importance to a study can be observed, people interviewed, and documents analysed. This helps me as a researcher to make firsthand observations of activities and interactions.

#### **3.4.1. Interviews.**

The thesis will take the *evaluation research* route as described by Patton (2002) and use the formative evaluation as opposed to summative. He describes formative evaluations as a method that serves the purpose of improving a specific programme, policy, group of staff, or product. This study's objectives are to offer an alternative model or framework to the current IMF and WB SAPs in order to improve the agricultural economies and standard of living of SSA countries. Formative evaluation often relies heavily, even primarily, on qualitative methods, concludes Patton (2002).

Interview data is a major source, perhaps the major source, of information (Carson et al, 2001). Whatever an interview's form, its purpose is to get inside someone's head and enter into their perspective to find out things like feelings, memories and interpretations that one cannot observe or discover in other ways (Patton, 2002).



According to Carson et al (2001) there are three basic approaches to collecting qualitative data through open-ended interviews, that is:

- The informal conversational interview
- The general interview guide approach
- The standardised open-ended interview

The informal conversational interview relies entirely on the spontaneous generation of questions in the natural flow of an interaction, often as part of ongoing participant observation field work. The persons being talked with may not even realize they are being interviewed.

The general interview guide approach involves outlining a set of issues that are to be explored with each respondent before interviewing begins. The guide serves as a basic checklist during the interview to make sure that all relevant topics are covered.

In contrast, the standardised open-ended interview consists of a set of questions carefully worded and arranged with the intention of taking each respondent through the same sequence and asking each respondent the same questions with essentially the same words. Flexibility in probing is more or less limited, depending on the nature of interview and the skills of the interviewer. The standardised open-ended interview is used (as is the case in this research study) when it is important to minimise variation in the questions posed to interviewers.

These approaches have their strengths and weaknesses and each serves a somewhat different purpose. For this research study I have selected to use a combination of the general interview guide approach and the standardised open-ended interview.

These contrasting interview strategies are by no means mutually exclusive, states Bryman and Bell (2007). The combination of the guide approach and the standardised format by specifying certain key questions exactly as they must be asked while leaving other items as topics to be explored at the interviewer's discretion. This combined strategy offers the interviewer flexibility in probing and in determining when it is appropriate to explore



certain subjects about new areas of inquiry that were not originally anticipated in the interview instrument's development.

The two qualitative approaches used/selected in this research share the commitment to ask genuinely open-ended questions that offer the persons being interviewed the opportunity to respond in their own words and to express their own personal perspectives. This removes a lot of biases in the data collection. The interviewer never supplies and predetermines the phrases or categories that must be used by respondents to express themselves as is the case in fixed-response questionnaires (Patton 2002).

This type of interviewing will help to capture how the respondents view the impact of SAP's in their world. This also helps to learn their terminology and judgements, and to capture the complexities of their individual perceptions and experiences.

#### **3.4.1.1 Recording the Data**

All my interviews in this study were tape recorded. Patton (2002) notes that, no matter what type of interviewing one uses and no matter how carefully one words questions, it all comes to naught if one fails to capture the actual words of the person being interviewed. Nothing can substitute for these data: the actual things said by real people. That is the prize sought by the qualitative inquirer.

Data interpretation and analysis involve making sense out of what people have said, looking for patterns, putting together what is said in one place with what is said in another place, and integrating what different people have said. These processes occur primarily during the analysis phase after the data are collected. During the interviewing process itself, that is, at the data collection phase, the purpose of each interview is to record as fully and fairly as possible that particular interviewee's perspective.

Permission should always be sought to tape-record an interview, advises Saunders, et al (2003). Healey and Rawlinson (1994) report an earlier study that advises that you should



explain why you prefer to use a recorder rather than simply requesting permission.

Armstrong (1985) offers the following 'golden rules' of good interviewing:

- Use small encouragers like a murmur of understanding or 'yes'
- Maintain eye and smile expectantly during pauses as if expecting the interviewee to continue
- Use the active listening technique of feed back dialogue in the researcher's own words to check understanding
- Ask non-directive questions, for example, 'Could you please elaborate?'
- Use the respondent's terms rather than academic ones, for example, 'partnerships' rather than 'strategic alliances'
- Never interrupt an answer
- Never worry about a 'pregnant' pause – the researcher lets the respondent fill the pause by appearing to be writing some notes.

Advantages and disadvantages of tape-recording the interview (Easterly-Smith, et al, 1991; Ghauri and Gronhaug, 2002; Healey and Rawlison, 1994):

Advantages:

- Allows interviews to concentrate on questioning and listening.
- Allows questions formulated at an interview to be accurately recorded for use in later interviews where appropriate.
- Can re-listen to the interview
- Accurate and unbiased record provided
- Allows direct quotes to be used
- Permanent record for others to use.

Disadvantages:

- May adversely affect relationship between interviewee and interviewer (possibility of focusing on the recorder)
- May inhibit some interviewee responses and reduce reliability.
- Possibility of a technical problem.
- Disruption to discussion when changing tapes



- Time required transcribing the tape.

Some tips to use in the research study, for tape recording interviews:

**Table 3.5 Tape Recording Interview Tips**

<p><u>1 Equipment</u></p> <ul style="list-style-type: none"> <li>a) Use an electrical outlet and external microphone whenever possible – they are more reliable.</li> <li>b) If you use batteries check them regularly and carry spares.</li> <li>c) The recorder should be clean and in good condition.</li> <li>d) Use good quality tapes of 60 minutes or less – longer tapes are more likely to stretch or break when transcribed.</li> <li>e) Take along extra cassette tapes.</li> </ul>
<p><u>2. Before the interview</u></p> <ul style="list-style-type: none"> <li>a) Choose a place for the interview that is quiet and free from interruptions.</li> <li>b) Place the microphone close to the respondents, then speak loud enough so that questions can be heard; most important, though, is hearing the responses.</li> <li>c) Set the recorder on a stable surface.</li> <li>d) Test the recording system.</li> </ul>
<p><u>3. During the interview</u></p> <ul style="list-style-type: none"> <li>a) Speak clearly and not too fast – the respondents will then be more likely to do the same.</li> <li>b) Ask the respondent to speak up if his or her voice starts to soften.</li> <li>c) Run a test with the respondent; then rewind and listen so that the respondent can hear whether he or she is speaking distinctly. Whether a problem is mechanical or personal, correct it before continuing.</li> <li>d) Do not rustle papers, cups, bottles near the microphone.</li> <li>e) Turn off the recorder during extended side conversations, breaks or interruptions.</li> <li>f) Watch for tape breakage and tangling.</li> <li>g) Repeat the test if a tape change is necessary.</li> <li>i) At the end of the interviews say, 'this is the end of interview with ...'</li> </ul>
<p><u>4. After the Interview</u></p> <ul style="list-style-type: none"> <li>a) Listen to the start, middle, and end of the tape; list proper names and unfamiliar or unusual terminology to help the transcriber.</li> <li>b) Label tapes and return them to appropriate containers.</li> <li>c) Keep tapes and recorder in good condition; do not touch tapes or expose them to extreme temperatures.</li> <li>d) Give transcribers reasonable time to do a good job.</li> </ul>

Source: Patton, M Q (2002). *3<sup>rd</sup> Edition, Qualitative Research and Evaluation Methods* p.382. Sage Publications.



### **3.4.2 Sampling.**

This research study will take advice from Patton (2002) which states that a design specifies the unit or units of analysis to be studied. In Zimbabwe I will be looking at various units composed of academics (in SAPs including the IMF, WB and donor organisations); agricultural companies; farmers' unions; resettlement farmers; large scale farmers and communal farmers. Decisions about samples, both sample size and sampling strategies, depend on prior decisions about the appropriate unit of analysis to study, Patton (2002) notes. In this case individual people, clients or groups are the unit of analysis. This means that the primary focus of data collection will be on what is happening to individuals in a setting and how individuals are affected by the setting. Individual case studies and variation across individuals would focus the analysis.

#### **3.4.2.1. Purposeful Sampling.**

This research study will use the purposeful sampling strategy. Qualitative inquiry typically focuses in depth on relatively small samples, even single cases, selected purposefully (Patton, 2002). The logic and power of purposeful sampling lie in selecting information-rich cases for study in depth. Lincoln and Guba (1985) state that purposeful sampling focuses on selecting information-rich cases whose study will illuminate the questions under study. There are several different strategies for purposefully selecting information-rich cases and each strategy serves a particular purpose. Patton (2002) lists fifteen different strategies and this study will use the "purposeful random strategy". The purpose of this strategy is to add credibility to the results when potential purposeful sample is larger than one can handle. It reduces bias within a purposeful category. But he warns that it is critical to understand that this is a purposeful random sample, not a representative random sample. He adds that a small, purposeful random sample aims to reduce suspicion about why certain cases are selected for study, but such a sample still does not permit statistical generalisations.

#### **3.4.2.2. Sample Size.**

The first phase of the field work, which establishes the characteristics and evaluates the current ESAP Model on the agricultural sector in Zimbabwe, will cover 16 respondents.



The second phase which will confirm, cover gaps and clarify issues raised in the first field work will study thirty-two respondents. There are no rules for sample size in qualitative inquiry. Yin (1994) states that sample size depends on what one wants to know, the purpose of the inquiry, what is at stake, what will be useful, what will have credibility, and what can be done with available time and resources.

In the end, sample size adequacy, like all aspects of research, is subject to peer review, consensual validation, and judgement (Patton, 2002). What is crucial is that the sampling procedures and decisions be fully described, explained and justified so that information users and peer reviewers have the appropriate context for judging the sample (Bryman and Bell, 2007). Therefore sample size is flexible, depending on what the researcher sets to achieve.

Although a pilot investigation will be carried out in order to assess the adequacy research design, questions and of the instruments to be used for data collection. The pilot investigation will cover no more than five respondents.

### **3.4.3 Triangulation**

Denzin (1978) states that the logic of triangulation is based on the premise that no single method ever adequately solves the problem of rival causal factors. Because each method reveals different aspects of empirical reality, multiple methods of observations must be employed. Denzin (1978) has identified four basic types of triangulation:

1. data triangulation – the use of a variety of data sources in a study.
2. investigator triangulation – the use of several different researchers or evaluators.
3. theory triangulation – the use of multiple perspectives to interpret a single set of data .
4. methodological triangulation – the use of multiple methods to study a single problem or programme.

This research study will use the methodological triangulation approach, that is, a mix of interviewing, observation and document analysis. Patton (2002) states that a rich variety of methodological combinations can be employed to illustrate an inquiry question.



Studies that use only one method are more vulnerable to errors linked to that particular method (for example, loaded interview questions, biased or untrue responses) than studies that use multiple methods in which different types of data provide cross-data validity checks, advises Patton (2002). Brewer and Hunter (1989) concur by adding that using multiple methods allows inquiry into research question with an arsenal of methods that have non-overlapping weakness in addition to their complementary strengths.

With triangulation, the potentially problems of construct validity also can be addressed, because the multiple sources of evidence essentially provide multiple measures of the same phenomena (Yin, 1994).

### **3.5. Reporting Qualitative Data.**

Several options exist for organising and reporting qualitative data. Patton (2002) lists them under the following headings:

- ❖ Storytelling Approaches
- ❖ Case Study Approaches
- ❖ Analytical Framework Approaches.

As indicated earlier in this thesis, this research is a case study and therefore it will take a Case Study Approach. Patton (2002) states that, if individuals or groups are the primary unit of analysis, then case studies of people or groups may be the focus for case studies.

In analysing interviews, the researcher has the option of beginning with case analysis or cross-case analysis. Doing it in this way means writing a case study for each person interviewed or each unit studied. This means the researcher will be grouping together answers from different people to common or similar questions, or analysing different perspectives on central issues. As this researcher has opted for a standardised open-ended interview it will be fairly easy to do cross-case or cross-interview, as advocated by Patton (2002). He also states that in interview guide approach, answers from different people can be grouped by topic from the guide, but the relevant data would not be found in the same place in each interview.



### 3.6 The Checklist

As indicated earlier data generated by qualitative methods are voluminous. Patton's (2002) checklist inventory was used in this research:

- ❖ Are the field notes complete?
- ❖ Are there any parts that one put off to write later and never got to but need to be finished, even at this late date, before beginning analysis?
- ❖ Are there any glaring holes in the data that can still be filled by collecting additional data before the analysis begins?
- ❖ Are all the data properly labelled with a notation system that will make retrieval manageable (dates, places, interviewee identifying information)?
- ❖ Are interview transcriptions complete?

The problem of incomplete data can affect the results of a research study. All transcriptions should be *verbatim*. Patton (2002) states that this is the essential raw data for qualitative analysis. It can be confirmed that I did all transcripts for this research. The atrocious grammar, incomplete sentences are all part of natural conversations. Showing that the interviewee is thinking and gets interrupted by new thoughts before the preceding sentence was completed.

Transcribing offers another point of transition between data collection and analysis as part of data management and preparation (Patton 2002). He emphasises that by doing all or some of your own interview transcriptions provides an opportunity to get immersed in the data, an experience that usually generates emergent insights. This gives one a chance to get a feel for the cumulative data as a whole.

Stake (2000: 435) says this about case study analysis: "Case study is not a methodological choice but a choice of what is to be studied .... We could study it analytically or holistically, entirely by repeated measures or hermeneutically, organically nor culturally, and by mixed methods – but we concentrate, at least for the time being, on the case".



The case study approach to qualitative analysis constitutes a specific way of collecting, organising and analysing data; in that sense it represents an analysis process (Patton 2002). The purpose of this approach is to gather comprehensive, systematic, and in-depth information about each case of interest. He states that the analysis process results in a product: a case study; and concludes that the term case study can refer to either the process of analysis or the product of analysis or both.

“Remember this rule: No matter what you are studying, always collect data on the lowest level unit of analysis possible ..... Collect data about individuals, for example, rather than households. If you are interested in issues of production and consumption (things that make sense at the household level), you can always package your data about individuals into data about households during analysis .... You can always aggregate data collected on individuals, but you can never disaggregate data collected on groups”. (Bernard, 1995:37)

Although a scholarly or evaluation project may consist of several cases and include cross-case comparisons, the researcher’s first and foremost responsibility consists of doing justice to each individual case.

### **3.7 Content Analysis.**

This research study will use the content analysis technique to examine words and phrases within the wide range of transcripts from the tape recorded interviews. Content analysis has been defined as a systematic, replicable technique for compressing many words of text into fewer content categories based on explicit rules of coding (Berelson, 1952; GAO, 1996; Krippendorff, 1980; and Weber, 1990). Holsti (1969) offers a broad definition of content analysis as any technique for making inferences by objectively and systematically identifying specified characteristics of messages. Under Holsti’s (1969) definition, the technique of content analysis is not restricted to the domain of textual analysis, but may be applied to other areas such as coding of actions observed in videotaped or tape recorded ( as in this research study) studies.



By using content analysis it will enable this research to sift through large volumes of data with relative ease in a systematic fashion (GAO, 1996). It can be a useful technique for allowing researchers to discover and describe the focus of individual, group, institutional, or social attention (Weber, 1990).

Patton (2002) states that raw field notes and verbatim transcripts constitute the undigested complexity of reality. He describes content analysis as identifying, coding, categorising, classifying and labelling, the primary patterns in the data. That is in this study, organising data into topics and files, for example, SAP, extension, infrastructure, research, loans, marketing and farming inputs to mention a few. This in actual fact means analysing the core content of interviews and observations to determine what is significant and important. The content analysis in this study will be done in the traditional way, that is manually, which is without software. Patton (2002) confirms that software programmes provide different tools and formats for coding but the principles of the analytical process are the same whether doing manually or with the assistance of a computer programme.

In any analysis programme one has to be aware of advantages and disadvantages. Content analysis offers the following advantages to researchers (Patton, 2002; Stemler, 2001 and Weber, 1990):

- ❖ Looks directly at communication via texts or transcripts, and hence help at the central aspects of social interaction.
- ❖ Can allow for both quantitative and qualitative operations.
- ❖ Can provide valuable historical/cultural insights over time through analysis of texts.
- ❖ Allows closeness to text which can alternate between specific categories and relationships and also statistically analyses the coded form of the text.
- ❖ Can be used to interpret texts for purpose such as the development of expert systems.
- ❖ Is an unobtrusive means of analysing interactions.
- ❖ Provides insight into complex models of human thought and language use.

But suffers from several disadvantages, both theoretical and procedural:



- ❖ Can be extremely time consuming
- ❖ Is subject to increased error, particularly when relational analysis is used to attain a higher level of interpretation.
- ❖ Is often devoid of theoretical base, or attempts too liberally to draw meaningful inferences about the relationships and impacts implied in a study.
- ❖ Is inherently reductive, particularly when dealing with complex texts.
- ❖ Tends too often to simply consist of word counts.
- ❖ Often disregards the context that produced the text as well as the state of things after the text is produced
- ❖ Can be difficult to automate or computerise.

### **3.8 Patterns and Themes.**

Boyatzis (1998) mentions that in content analysis one has to have underlying abilities or competencies in order to see patterns in seemingly random information. Content analysis is basically therefore a means of searching text (interview transcripts, diaries or documents) for recurring word themes rather than observation-based field notes. For example, a speech by a politician may be analysed to see what phrases or concepts predominate. Patton (2002) states that content analysis is used to refer to any qualitative data reduction and sense-making effort that takes a volume of qualitative material and attempts to identify core consistencies and meanings. He confirms that case studies (as in this research study) can be content analysed.

Stemler (2001) defines this process of searching for patterns or themes as pattern analysis or theme analysis.

As mentioned earlier inductive analysis is used in this research. Therefore it is hoped that this will help tremendously in discovering patterns, themes and categories. In this way findings will emerge out of the data collected to inform the impact of SAP's and to provide ideas on alternative framework. Patton (2002) states that qualitative analysis is typically inductive in the early stages, especially when developing or figuring out



possible categories, patterns and themes. But once the patterns, themes and categories have been established through inductive analysis one can use the deductive analysis in testing and affirming the authenticity and appropriateness of the inductive content analysis. At this stage one needs to carefully examine any deviate cases or data that do not fit the categories developed. Generating theoretical propositions or formal hypotheses (in this study, alternative frameworks) after inductively identifying categories is considered deductive analysis by Strauss and Corbin (1998).

There are two distinct ways (Krippendorff, 1980; Patton, 2002 and Weber, 1990) of analysing qualitative data inductively, which will be followed in this study:

- ❖ The researcher/analyst can identify, define and elucidate the categories developed and articulated by the people studied to focus analysis.
- ❖ The researcher may also become aware of categories or patterns for which the people studied did not have labels or terms and the researcher then develops terms to describe these inductively generated categories.

Patton (2002) suggests that a fine place to begin inductive analysis is to inventory and define key phrases, terms and practices that are special to the people studied. Boas (1943) declares that if researchers are to understand the thoughts of people, then the whole analysis of experience must be based on their concepts and the researchers'. In an intervention programme, certain terms may emerge or be created by respondents to capture some essence of the programme under review. Therefore, according to Pelto and Pelto (1978), cultural behaviour should always be studied and categorised in terms of the inside view of human events.

In this research analysis, the researcher will be presenting some of the actual data on which the analysis is based. This will be in form of quotations. By presenting respondents in their own words and reporting the actual data, Conroy (1987) states that this invites readers of the thesis to make their own analysis and interpretation. Patton (2002) concurs by stating that the analyst's constructs should not dominate the analysis, but rather should facilitate the reader's understanding of the world under study. This is the power of



qualitative data and analysis. The point here is not simply to find a concept or label to best tie together the data but to understand more the respondents studied. What people actually say and the descriptions of events observed remain the essence of qualitative inquiry (Patton, 2002).

The researcher should be able to get out of the way of the data to let the data tell their own story. This is part of the content analysis. Miles and Huberman (1994) state that the researcher should use concepts to help make sense of and present the data, but not to the point of straining or forcing the analysis.

### **3.9 Coding and Classifying.**

Guba (1978) suggests that in developing codes and categories, a qualitative researcher must first deal with the challenge of convergence, in other words figuring out what things fit together. This analysis will begin by looking for recurring regularities in the data. These, then, should reveal patterns that can be sorted into categories. Patton (2002) divides categories into two criteria, that is, internal homogeneity and external heterogeneity. Internal homogeneity concerns the extent to which the data that belong in a certain category hold together or dovetail in a meaningful way. External heterogeneity concerns the extent to which differences among categories are bold and clear. The category system or sort of categories is going to be tested for completeness and Guba (1978) summarised the tests in the following manner:

- ❖ The sets should have internal and external plausibility, a property that might be termed integrability. The individual categories when viewed should appear to be consistent and the set of categories should seem to comprise a full picture.
- ❖ The set should be reasonably inclusive of the data and information that do exist. If the set of categories do not appear to be sufficient to cover the facets of the problem or mandate, the set is probably incomplete.
- ❖ The set should be reproducible by another researcher or observer. The second observer should be able to verify that (a) the categories make sense in view of the data available and (b) the data have been appropriately arranged in the category system.



- ❖ The set should be credible to the persons who provided the information which the set is presumed to assimilate.

In lieu of statistical significance, qualitative findings are judged by their substantive significance (Patton, 2002). In order to determine substantive significance in this research study the following will be addressed:

- ❖ How solid, coherent, and consistent is the evidence in support of the findings? Triangulation could be used in determining the strength of evidence in support a finding.
- ❖ To what extent are the findings consistent with other knowledge? (A finding supported by and supportive of other work has confirmatory significance. A finding that breaks new ground has discovery or innovative significance).
- ❖ To what extent are the findings useful for the intended purpose, for example, contributing to theory, informing policy, summative or formative evaluation, or problem solving in action research?

Since qualitative researchers do not have statistical tests to tell them when an observation or pattern is significant (Patton, 2002), they must rely first on their own intelligence, experience, and judgement, second, they should take seriously the responses of those who were studied or participated in the enquiry; and third, the researcher should consider the responses and reactions of those who read and review the results.

Consensual validation of the substantive significance of the findings occurs when all three, researcher, respondents and reviewers, agree. But where disagreements occur, which is the more usual case; one gets a more interesting life and the joys of research study. Some logical underpinnings in qualitative analysis (a combination of inductive and deductive thinking) which have been employed in this research analysis (Denzin, 1978):

- ❖ Naturalists inspect and organise behaviour specimens in ways which they hope will permit them to progressively reveal and better understand the underlying problematic features of the social world under study.



- ❖ Researchers seek to ask the question or set of questions which will make that world or social organisation understandable.
- ❖ Researchers do not approach the world with a rigid set of preconceived hypotheses.
- ❖ Researcher records the occurrence of a particular event and then works back in time in an effort to reconstruct the events (causes) that produced the event or consequence in question.

### **3.10 Permission**

Being a journalist or researcher in Africa is no way to make friends. Guest (2004) states that many politicians (African) have berated journalists and researchers for their coverage on Africa, which they say dwells too much on wars, corruption, famines, and bad governance and so scares off investors. The current (2004-2005) situation in Zimbabwe is such that any journalist or researcher wanting to fulfil any such work must obtain permission to do so via the Ministry of Information. Failing to do so will result in being prosecuted. The government wants to know in advance of fieldwork, the people who will carry out the research work, who will be interviewed and the precise questions that will be asked. The government does not take too kindly to researchers coming from outside its borders. Under Zimbabwe's Public Order and Security Act anyone intending to host a gathering of more than three people should seek permission from the police before doing so.

Researchers who do research studies/investigations of the rural population/community in SSA are considered to pose problems for the ruling elite (especially if not democratically elected) when it comes to get approval to do research studies. The rural people are considered as "belonging" to the government and therefore must be protected from "intruders", for example, journalists and researchers, who might broaden their way of thinking and thus become anti-government and not vote for the ruling party during general and local council elections.



The research topic of this study is a sensitive one because it seeks to find out, among other reasons, whether bad governance causes SAP's to fail. Saunders, et al (2003) note that organisations are less likely to cooperate where the topic of the research is seen to have a negative implication. Therefore organisations do not normally wish to present themselves to the world in bad light.

In order to avoid delays and frustrations in obtaining permission to do research work in Zimbabwe, the researcher flew to that country six months before the scheduled start of the fieldwork. Buchanan, Boddy and McCalman (1988:56) suggest that "the research timetable must therefore take into account the possibility that permission or access will not be automatic and instant, but may take weeks and months of meetings and correspondence to achieve". As van Maanen and Kolp (1985:11) observed, "gaining access/permission to most organisations is not a matter to be taken lightly but one that involves some combination of strategic planning, hard work and dumb luck". Patton (2002:310) highlights some frustrations encountered by researchers, "his efforts to make contact with the faceless authorities who run the castle lead to frustration and anxiety. He can't quite figure out what is going on, can't break through their vagueness and impersonal nature. He doubts himself, then he gets angry at the way he is treated; then he feels guilty, blaming himself for his inability to break through the ambiguous procedures for entry".

On arrival in Zimbabwe the researcher adopted the approach by Buchanan, et al (1988) which states that researchers should adopt an opportunistic approach towards fieldwork in organisations, balancing what is desirable against what is possible. Therefore instead of going through the Ministry of Information to seek permission the researcher, armed with letter from the university, used contacts to by-pass going through the unscrupulous checks and interviews done by the ministry. The researcher used his contacts in the Ministry of Agriculture, that is, the current Minister of Agriculture. The Minister and the researcher once worked together in the Ministry of Internal Affairs in the early 1980's. The Minister gave permission verbally in the first week of the researcher arriving in Zimbabwe. Examples of questions to be used during the research study were shown to the



Minister who felt that there was nothing sinister about them. The Minister informed all his departmental heads in his ministry about him granting permission to the researcher. With this all was clear to do the research work in the agricultural industry of Zimbabwe. The researcher asked for permission to do more than one fieldwork in two years. Buchanan et al, 1988; Easterly-Smith, et al, 2002; Johnson, 1975 declare that other management and organisational researchers suggest that you are more likely to gain permission where you are able to use existing contacts.

During this period the researcher did a pilot test on five people selected randomly in order to test and validate the interview questions. The group consisted of one of the gatekeepers, a communal farmer, a large scale farmer, a company executive and a university lecturer. Before flying to Zimbabwe the thesis supervisor and Head of the Research Office at the University of Derby were consulted and asked to comment on the representativeness and suitability of the questions. These two provided important feedback and the required adjustments were done accordingly. Saunders et al (2003) support this by advocating that expert or group of experts should be asked to give their opinions and suggestions on the check questions.

It is advisable that prior to using interview questions when collecting data the questions should be pilot tested (Saunders et al, 2003). They carry on to say that the purpose of doing this is to fine tune the interview questions so that respondents will have no problems in responding to questions and no problems will be encountered in recording the data. Pilot testing also helps to get assessment of the questions' content validity and likely reliability of the data collected (Mitchell, 1996). Bryman and Bell (2007) state that the desirability of piloting is not only to do with trying to ensure that survey questions operate well but it has a role in ensuring that research instrument as a whole functions well.

### **3.11 Ethics**

Saunders (2003) defines ethics as the appropriateness of the researcher's behaviour in relation to the rights of those who become the subject of his/her behaviour in relation to



the rights of those who became the subject of the researcher's work or are affected by it. Wells (1994:284) defines "ethics in terms of a code of behaviour appropriate to academics and the conduct of research".

Interviews are intrusions and interventions and they affect people. Patton (2002) states that a good interview lays open thoughts, feelings, knowledge, and experience, not only on the interviewer but also to the interviewee. The purpose of this research is first and foremost to gather data and not change people. There is a tendency (Patton 2002) that people will tell you things they never intended to tell. Interviews, therefore, can become confessions, particularly under the promise of confidentiality. Interviewees may release information which may be of interest to the police or government security agents. This research has a political nature to it and information given at interviews can put interviewees at risk. The interviewer therefore needs to have an ethical framework for dealing with such issues. It should be noted that social scientists, like this researcher, do not have legal protection that the clergy and lawyers have. There is a danger of being summoned to testify in court, especially in countries like Zimbabwe.

The researcher looked at codes of ethics formulated by the Academy of Management, Market Research Society, Social Research Association and British Sociological Association. This was done in order to be aware of the ethical principles involved and of the nature of the concerns about ethics in research.

Below is a summary of checklist of ethical issues which will be considered, anticipated and dealt with in this research study during the research design, data collection and analysis (Bryman and Bell, 2007; Patton, 2002; Saunders et al, 2002):

1) Explaining purpose of the inquiry and methods to be used.

- ❖ It is imperative that respondents are informed right at the beginning about the purpose of the research and how it will be conducted in the most accurate and understandable way.
- ❖ Participants will be given the option to select the language they wish to use during the interviews. In this study they will have a choice of three languages, that is,



English, chiShona or siNdebele. The researcher is fluent in all three. This fits well with the postpositivist stance taken in this research.

- ❖ All parties should be aware of details to be shared and which are to be left out.
- ❖ Do not exaggerate the likely benefits or value of the research for participating organisations or individuals.

## 2) Promises and reciprocity.

- ❖ Interviewees should be told why they are participating in the interview. In this research it is to establish the impact of IMF/World Bank SAP's on the farming communities of, and to formulate an alternative framework to adjustment programmes which is specific to Zimbabwe.
- ❖ All promises made to the participants must be kept.

## 3) Risk Assessment.

- ❖ Inform participants of the risks involved in conducting the interviews, for example, psychological stress, legal liabilities, political implications or repercussions and ostracism by peers.
- ❖ Researcher must be able to handle these issues if they arise.

## 4) Confidentiality.

- ❖ Researcher should know the difference between confidentiality (you know but would not tell) and anonymity (you do not know).
- ❖ Maintain the assurances given to participating organisations and individuals with regard to confidentiality of the data obtained and their anonymity.
- ❖ Agree with participants on whether names, locations and other details will be changed.
- ❖ Participants must be informed how long the tape-recorded data will be stored or maintained.



#### 5) Informed Consent.

- ❖ Informed consent should be sought through the use of openness and honesty, rather than using deception: inform respondents what the research is about, the purposes, the sponsors, the nature of their involvement, length of their participation and that it is voluntary, free to withdraw from participation anytime they wished to do so and what is to happen to the data after the interviews.

#### 6) Data Access and Ownership.

- ❖ Be clear in the contract as to who owns the data.
- ❖ Inform participants as regards the right of review of the data.

#### 7) Interviewer Mental Health.

- ❖ The interviewer must take cognisance of how he will be affected by what he hears, sees, or learns that may merit debriefing and processing.
- ❖ Interviewer must take note of who talks to as regards the experience/knowledge gained from the interviews without compromising confidentiality.

#### 8) Advice.

- ❖ The researcher must have a confidant and counsellor (in the form of the research supervisor) on matters of ethics during the study. The Research Office can be used for this purpose as well. Not all issues can be anticipated in advance. Knowing who you will go to in the event of difficulties can save precious time in a crisis and bring much-needed comfort.

#### 9) Data Collection Boundaries.

- ❖ Skilful interviewers can get people to talk about things they may later regret having revealed. Or shaping revelations in an interview may unburden people, letting them get something off their chest.
- ❖ In deciding how hard to push for information the interviewer must balance the value of a potential response against the potential distress for the respondent(s).  
Be sensitive!



## 10) Ethical versus Legal.

- ❖ Be guided by the university's, international and local (Zimbabwe) disciplinary or professional code of ethical conduct. In Zimbabwe's situation it will be difficult to find what ethical conduct will be used to guide the research due to the unstable political environment.

### 3.12 Access

Once permission was given to do research in Zimbabwe's agricultural sector the next hurdle was to gain access to the selected respondents. One of the key and yet most difficult steps in ethnography (research study) is gaining access to a social setting that is relevant to the research problem in which you are interested (Bryman and Bell, 2007). Bell (1969) understands that the way in which access is approached differs according to whether the setting is a relatively open one or a relatively closed one. This research study will encounter both, that is, respondents will come from the public and private sectors of agriculture in Zimbabwe.

It should be noted that this research study is not only being done out of personal or professional interest. The researcher is doing this for some decision makers or information users who may be either known or unknown to the respondents, for example, IMF, WB, the donor community and the governments of SSA countries, especially Zimbabwe. So that they can use the data collected in this thesis as a source of information. Therefore it becomes critical that the researcher gives careful thought to how the fieldwork is going to be entered and presented/reported.

The ability to collect data will depend on gaining access to the source or to appropriate sources where there is a choice. This will depend upon the research question(s), related objectives and strategy. Gummesson (2000) states that, the first level of access is physical access or entry. Gaining physical access can be difficult. Saunders, et al (2003) gives the following reasons:



- A lack of perceived value in relation to the work of the organisation(s) or the individual(s).
- The nature of the topic because of its potential sensitivity, or because of concerns about the confidentiality of the information that would be required.
- Perceptions about your credibility and doubts about your competence.

Because it is usually not so easy for a researcher to gain access in the field, therefore a helper is required. Especially in this research where the researcher is based in England and the fieldwork is being staged in Zimbabwe. Oka and Shaw (2000) define persons who introduce a researcher into the field in qualitative research as “gatekeepers”. Bryman and Bell (2007) state that sometimes it is important to have research study paths smoothed by individuals who act as both sponsor and gatekeeper. It is vital for the researcher to maintain a trusting relationship with the gatekeeper because he or she can make it easy for the researcher to build trust with the people in the field. As Lincoln and Guba (1985) point out:

- The building of trust is a developmental task; trust is not something that suddenly appears after certain matters have been accomplished, but something to be worked on day to day. Moreover, trust is not established once and for all; it is fragile and even trust that has been a long time building can be destroyed overnight in the face of ill-advised action (p.257).

Gaining entry is therefore a very important and complex process, declares Bailey (1996). It is apt to provoke the researchers to anxiety and even a sense of guilty (Gans, 1991).

Patton (2002) states that entry (access) into the field for evaluation research involves two separate parts:

- i. Negotiation with gatekeepers, whoever they may be, about the nature of the fieldwork to be done.
- ii. Actual physical entry into the field setting to begin collecting data.



The two parts are closely related, for the negotiations with gatekeepers will establish the rules and conditions for how one goes about playing the role of observer and how that role is defined for the people being observed. In the two fieldwork phases to be carried out in this study, the investigator unilaterally decides how best to conduct the fieldwork. In other words the researcher takes full ownership.

In this study two gatekeepers all working in the agricultural industry in Zimbabwe were selected for each fieldwork phase. A nominal fee of £100 per gatekeeper was paid to cover use of time, materials such as vehicles, telephones and stationery. The two were complete strangers to each other but not to the researcher. One was a friend and the other a professional colleague. This was done to avoid any biases and influences when selecting respondents. Buchanan et al (1988:56) say that “we have been most successful where we have a friend, relative or student”. In order to request access the researcher has approached those whom he considers to be friends and professional colleagues, who may also be present or past students, course advisers, external examiners, or otherwise known to me through local, regional or national networks. Their knowledge of the researcher means that they should be able to trust his stated intentions and the assurances given about any data provided by the respondents. This also helps to start a research project by utilising these existing contacts in order to establish a track record that can be referred to in approaches to other organisations where such contacts do not exist.

Obviously the use of the gatekeepers selected will depend largely on the choice of research strategy and approach to selecting a sample, as suggested by the research questions and objectives. This approach is suitable for this research, which is using a case study based strategy and the in-depth study that focuses on a small, purposively selected sample.

The gatekeepers worked as facilitators and helped to make the respondents and the researcher to feel relaxed and comfortable. They were also given the task of sampling the potential respondents using the criteria provided by the researcher. This is discussed in section 3:14.



Bryman and Bell (2007) draw attention to a range of tactics developed by researchers which will be taken into consideration and acted upon in this research:

- ❖ The use of friends, contacts, colleagues, academics to help gain access.
- ❖ Getting the support of someone within the organisation who will act as the researcher's champion. This person should be prepared to vouch for the researcher and the value and the value of the research.
- ❖ Gaining access through top management/senior executives (in this research study through the Zimbabwean Minister of Agriculture).
- ❖ Some respondents or organisations may request to have sight of the finished report. This should be granted. This helps to create a sense of being trustworthy. This strategy also carries risks, in that it may turn one into a cheap consultant and may invite restrictions on your activities, such as insistence on seeing what you write.
- ❖ A clear explanation of aims and methods should be provided and be prepared to deal with concerns. Provide time for this.
- ❖ Respondents and organisations must be informed about the amount of their time will be taken up.

### **3.13 Description of Respondents.**

Respondents for this research were selected from the following groups:

- a) Communal farmers
- b) Resettlements farmers
- c) Small scale commercial farmers
- d) Large scale commercial farmers
- e) Agricultural companies
- f) Academics
- g) IMF/WB representatives

#### **3.13.1 Communal Farmers.**

The communal areas were previously referred to as reserves, native lands or tribal trust lands, by the settler regime. The communal lands were created as a labour pool for the



modern sector dominated by the settlers (Rukuni, Oct. 1994). This sector had the lowest degree of needs satisfaction related to increasing land shortage as land use pressure increased over time. This has an effect of severely depressing agricultural production in these areas. Before independence these farmers were largely excluded from the market place further inhibiting development in the communal lands (Ellis, 1988).

The communal farming areas are home to over 900,000 farming households (total population of over 3.75 million) and settled on 162,794 square kilometres (Central Statistical Office, 1994). Across the country on average 11-28% of households have land holdings of less than one hectare; 45-50 % have 1.0- 2.5 hectares; 20-25% have 2.6-4.0 hectares and 12% have over 4 hectares. Previously the major crops grown were maize (45-50% of the total cropped area) followed by pearl millet (15-20% of cropped area), sorghum (10-15% of cropped area) and cotton with 7-10% of the cropped area (World Bank, 1981).

Nyamapfeni (1990) notes that currently areas allocated to cash crops per household have substantially been increased at the expense of food crops. Land has gone to the production of crops like cotton, tobacco and paprika. Farmers are now growing food crops for subsistence use only. A sizeable proportion of the households do not have access to adequate land holdings for crop production. There appears to be inequality in farm-size distribution in terms of operational land holdings. There is no evidence of tenancy arrangements and land leasing which would reduce inequality in farm size distribution in terms of operational holdings relative to land ownership distribution. The land tenure system that currently exists does not allow for equitable land distribution through market forces or other arrangements. Some households, particularly early settlers in an area, have access to far larger land holdings than new arrivals and new households (those newly married).

Most land sizes do not allow proper crop husbandry, that is, rotation and replenishment of fertility through fallow. On average 8% of arable land is left fallow per agricultural season due to shortage of resources, particularly labour and draught power (Rukuni Oct 1994).



Roth (1990) notes that findings of several studies and surveys on household characteristics, land utilization, yield levels, and enterprise combinations, suggest that communal land households could be put into three farm types classified according to levels of performance, namely:

- ❖ The high performance group consisting of those farmers that could be regarded as commercialised.
- ❖ The medium performance group which consists of semi-commercialised farmers.
- ❖ The low performance group which consists of those farmers who are oriented towards subsistence production.

### **3.13.2 Resettlement Farmers.**

The historical imbalance of land ownership between races, which evolved in the colonial period, gave rise to the land issue which was of fundamental significance during the Independence struggle. Inevitably, after independence there was a programme to resettle 18,000 families on 1.1 million hectares (Government of Zimbabwe, 1991). The families who were resettled were from the communal areas. There was no criteria used for selecting farmers to go to the formerly whites only farming areas. Government turned a deaf ear to calls to resettle people with proven track record of farming in order to maintain or improve the agricultural production in these new areas. It was said in some quarters that the government was merely moving the peasant communal farming to the Large Scale Commercial Farming Sector.

In the Transition Development Plan the target was raised to 162,000 families to be settled on nine million hectares (Ministry of Lands, Agriculture and Rural Resettlement [MLARR], 1982). At the end of 1983, the programme had settled only 55,274 families on approximately 3,368,235 hectares of land (Department of Rural Development, 1994).

The resettlement areas were divided into the following categories:

1) Model A



This is an individual smallholder arable production unit, with communal area for grazing. This is based on a set of three permits (requirements/conditions) issued to the farmer, that is, to cultivate a specified plot, to destock a specified number of livestock units and reside at a specified location.

Families have access to an arable plot of between 5-6 hectares, a communal grazing permit of about five livestock units (l.u.) (A livestock unit = 250kilograms of live mass of animal) and residential area. The allocation varies by natural regions; where schemes in dry Natural Regions IV or V have a higher livestock allocation of up to 18 l.u.

In general, the arable allocation was six hectares gross (five hectares net arable, although variations exist between the schemes depending on natural region and cropping system).

## 2) Model B

This was designed for co-operative farming where property, resources, equipment and commercial livestock are held collectively. The co-operatives are based on a single former white owned commercial farm unit which is managed as a viable commercial entity by the members. Members were selected from the ex guerrilla fighters in Zimbabwe's independence struggle. Planned farm membership was calculated based on the labour requirements to run viable farm enterprises whilst enabling profit sharing. In June 1992, there were 122 co-operatives with a total registered membership of 3,664, established on 164,480 hectares (MLARR, 1982).

## 3) Model C

This was designed to fit into extensive ranching production systems in the drier parts of the country. The model allowed for rotational grazing of purchased ranches by the commercial herd of neighbouring communal land communities. Unfortunately only one scheme was implemented.



### **3.13.3 Small Scale Commercial Farmers.**

Small Scale Commercial Sector (SSCS) was created on the basis of a political decision by the settler regime through the Land Apportionment Act, 1931. The SSCS, then the African Purchase Areas, were created for black purchase from the crown of freehold farms on a geographically segregated basis (Rukuni, 1994). The Cape clause in the original Order-in Council creating Southern Rhodesia in 1898 had recognised the right of black Africans to hold and dispose off land on the same conditions as white settlers but only small amounts had been purchased (Bruce 1990). Approximately 7.7% of the country was set aside for division into small farms for purchase by black farmers. To date there are 10,629 farms on 1.7 million hectares (Rural Stateland Office, 1998).

The average farm size by Natural Region (NR) is as follows:

❖ NR I	56 hectares
❖ NR II	120 hectares
❖ NR III	135 hectares
❖ NR IV	132 hectares
❖ NR V	120 hectares

It was conceded that in the earlier days some farms were cut up with little regard to their agricultural potential, and the selection of applicants was often completely un-related to their farming ability (Cheater, 1990)

The current profile of SSCS farm sizes by natural regions shows no systematic pattern of sizes as compared to the Large Scale Commercial Sector. The attempt made in 1972 to consolidate farm units into double viable units did not have a widespread impact within the sector. Asworth (1993) commented on the small scale farming sector that, relative to its share of national productivity capacity, the SSCS was producing something less than its potential. This sector is today similar in outlook and production styles as the communal areas.



Between 1980-1990 the maize yields in Zimbabwe had averaged about 1.5 tonnes per hectare. Maize yield in the LSCS averaged 4.5 tonnes per hectare, SSCS nearly 1.6 tonnes per hectare and the Communal Lands under 1.0 tonnes per hectare (CSO, 1994). The wide differentials according to Asworth (1993) are due to erratic rainfall, the level of managerial skills, the technology employed, and a resource base which is less than that of the LSCS.

Problems peculiar to this sector have been:

- ❖ The remoteness from major roads and railway lines.
- ❖ The SSCS was set up as a political act rather than a genuine concern for the black population.
- ❖ Lack of access to seasonal credit.
- ❖ Agro-ecological factors such as low soil fertility and erratic rainfall and water sources.
- ❖ The availability of skilled labour and the cost of that labour.
- ❖ Under capitalisation of farms endeavouring to adopt the modern idiom or capital accumulation.

#### **3.13.4 Large Scale Commercial Farmers.**

Initial phases of land alienation had taken shape by 1911 with the creation of settler farms which displaced and concentrated blacks into reserves (Moyo, 1995). The Land Apportionment Act of 1931 effectively enshrined the inequitable racial division of land. By 1979 approximately one quarter of a million white settlers occupied 40% of the land (Moyana, 1984). This constituted 80% all the land suitable for intensive agriculture. The national average size of these Large Scale Commercial Farms stood at 2,200 hectares. The average ranges from 1,728 hectares in NR I to 12,800 hectares in NR V. The existence of these farms is related to the size of the original grants of land to European settlers (Bruce, 1992).



Historically LSCS were well endowed with research services, subsidies, markets, improved technologies, good transport infrastructure, communications and power. Conex (1970) stated that average performance levels are based on the fact that the average farmer uses modern, sophisticated production techniques. (Conex was the Department of Conservation and Extension in the Ministry of Agriculture before Zimbabwe's independence).

The majority of LSC farmers were under freehold ownership by individuals, limited liability companies and large corporations. Unfortunately, due to land invasions (from 2000 onwards) instigated by the ZANU PF government, the population of LSC farmers is dwindling. A new breed of largely black farmers is emerging.

### **3.13.5 Agricultural Companies.**

These will be selected from agricultural concerns doing business in Zimbabwe. These would be both multinational and local companies (including State owned farms). Madeley (1999) states that agricultural companies are at their most visible and often most controversial when engaged in the basic primary industry, agriculture. The agro-corporations sell seeds, livestock feed, fertilisers and pesticides to farmers, patent new crop varieties and are involved in plant genetic engineering, plant and animal feeding. They also dominate production and trade in key agricultural inputs such as chemicals and seeds, and process, market, market and export a vast number of products, ranging from cotton to bananas, tea to tomatoes. Some get involved in the selling of services, which include advice on seeds, hybrid crop varieties and management practices. This group of respondents was selected in order to be informed of their impact on the agricultural producers in Zimbabwe.

### **3.13.6 Academics.**

Academics were selected from individuals who had been exposed to and had experience in structural adjustment reforms, in developing countries during the period covered by this study. These were, for example, from the following disciplines: consultants, university lecturers, company directors, and Non Governmental Organisation personnel.



### 3.13.7 IMF/WB Representatives.

The IMF/WB office in Harare, Zimbabwe provided this. It was preferred that the representative would have worked in Zimbabwe or in sub-Saharan Africa in the portfolio of reform programmes. It was imperative in this study to get the views of the Bretton Woods institutions because they believe that their programmes are designed to pave the way for long term development and prosperity by fundamentally restructuring African economies.

### 3.14 Agro-ecological Regions (Natural Regions)

It is necessary, at this point, for clarity purposes, to explain the agro-ecological regions of Zimbabwe. The country has been classified into five main “agro-ecological” or “natural” regions, wherein agricultural development is conditioned by a variety of dominant natural characteristics (Chavunduka, 1982). A sixth region, Natural Region X, refers to an area of 3.1% of the country which is physically unsuited for agriculture.

**Table 3.6 Distribution of Land According to Agro-ecological Regions**

Agro-ecological regions	Percentage of total land area suitable for agriculture
I	1.8
II	15.4
III	18.5
IV	37.4
V	26.9
<b>Total:</b>	<b>100</b>

- ❖ Natural Region I: Specialised and diversified farming region. The rainfall in this region is above 1 000mm per year. Temperatures are comparatively low and the rainfall is consequently highly effective, permitting forestry, fruit and intensive livestock production.
- ❖ Natural Region II: Intensive farming region. Rainfall is confined to summer and is moderately high (750-1 000mm). The region is suitable for intensive systems of farming based on crops and/or livestock production.

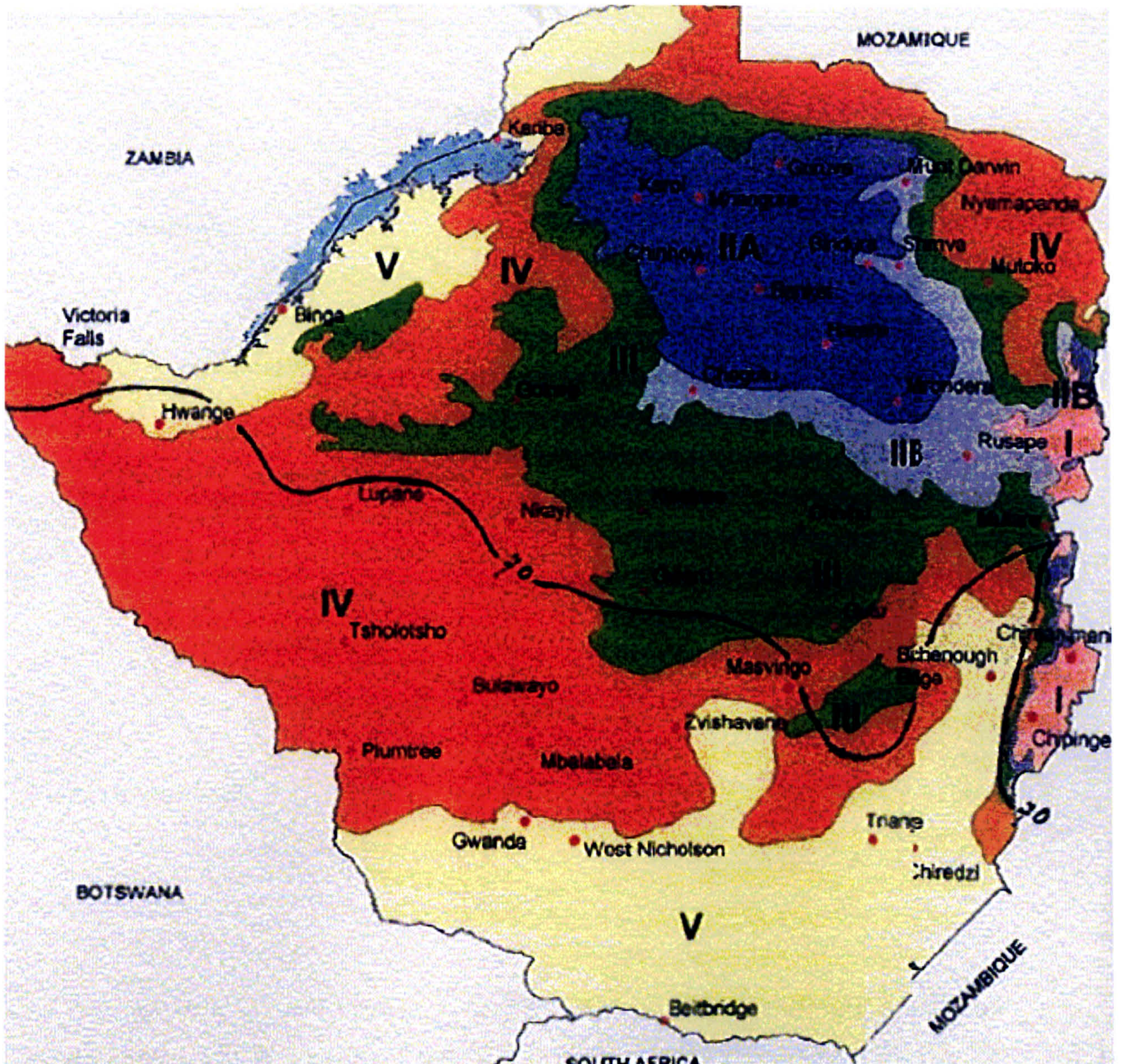


- ❖ **Natural Region III: Semi-intensive farming region.** This zone has 650-800mm rain but much of this arrives in infrequent heavy falls; thus there are fairly severe mid-season dry spells. The area is marginal as far as maize, tobacco and cotton growing is concerned.
  
- ❖ **Natural Region IV: Semi-extensive farming region.** The region experiences fairly low total rainfall (450-650) and is subject to periodic seasonal droughts and severe dry spells during the rainy season. The predominant use is thus livestock production.
  
- ❖ **Natural Region V: Extensive farming region.** The rainfall in this region is too low and erratic for the reliable production of even drought-resistant fodder and grain crops, and farming has to be based on the utilization of the veldt alone. Extensive cattle ranching and game ranching are the only recommended agricultural activities practised without irrigation.

Source: *Zimbabwe Agricultural Journal*. Vol. 77 (1) (1980).

Figure 3.2 below shows the natural regions of Zimbabwe.





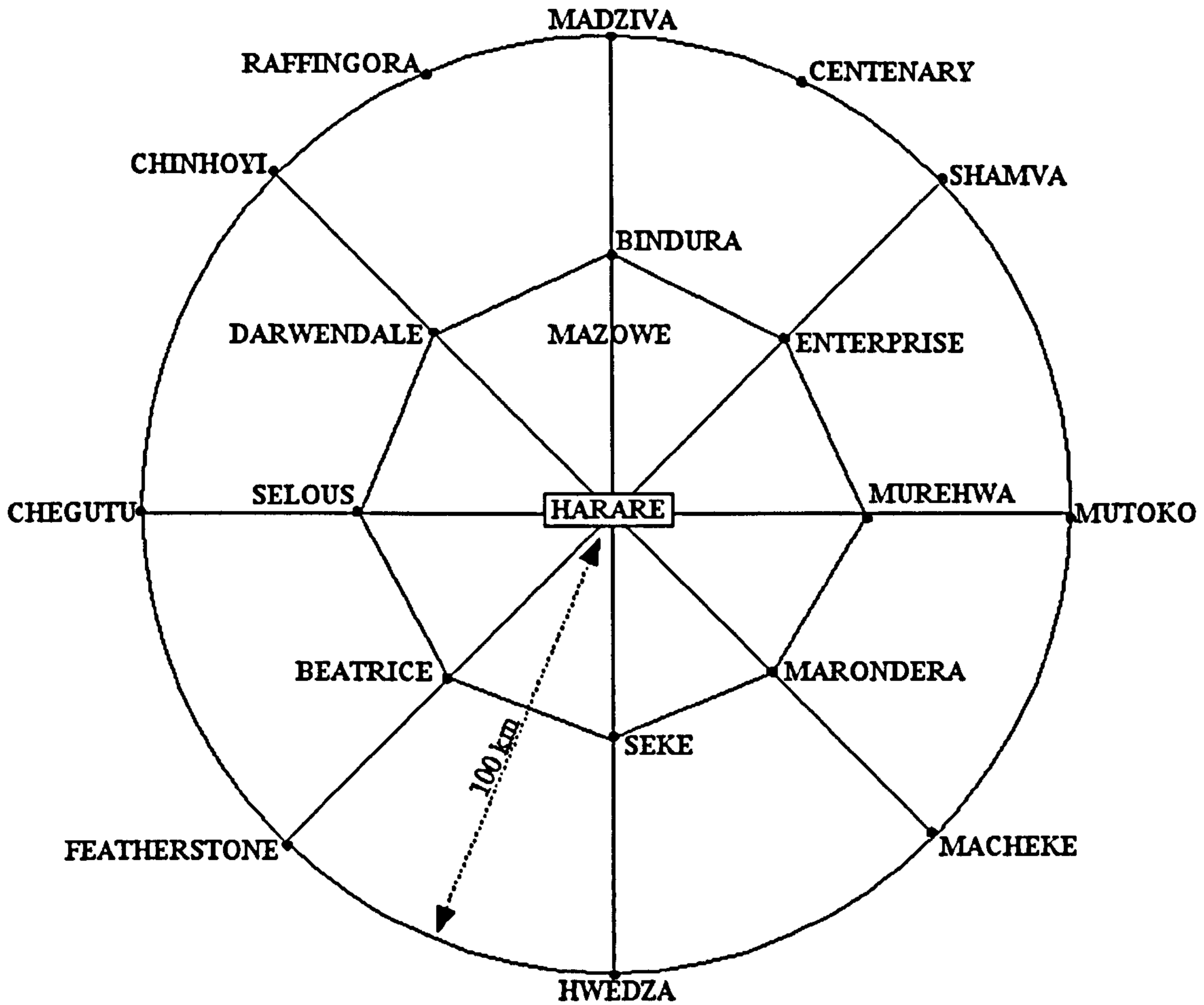
**Figure 3.2 Natural Regions of Zimbabwe**

### 3.15 Sample Profile.

For this study respondents will be selected from areas within a radius of one hundred kilometres of the capital city of Zimbabwe, Harare. See Figure 3.3 for details of the research study area.



**Figure 3.3 Research Study Area.**



This area has been selected because it receives above average and evenly distributed summer rainfall and is considered one of the best agricultural producing regions of Zimbabwe. It was selected for this study on the basis of ease of communications and accessibility with everyone involved in the research study. This also helped to reduce the cost and time during the research period. The area also houses the manufacturers of most agricultural inputs (crop chemicals, fertilisers and seed). Marketing institutions for commodities like beef, cotton, sugar, tobacco, grains, milk, and horticulture are located within this selected area. Also found in this area are various agricultural research institutions, agricultural consultants, banks and major airport (available for horticultural exports).



Figure 3.4 shows the map of Zimbabwe so that anyone reading this research report can visualise better the research study area.

**Figure 3.4 Map of Zimbabwe**





The respondents for the First Phase of the investigations as agreed with research study supervisor were categorised in the following manner:

**Table 3.7 First Phase Categories**

Category	Number of Respondents
Communal Farmers	5
Resettlement Farmers	3
Small Scale Farmers	2
Large Scale Farmers	2
Academics	1
Agricultural Companies	2
IMF/WB	1

The population in the respective category determines the number of respondents selected from each of the farming categories. That is, the communal farmers have over 900 000 farming households and therefore will have the largest number of respondents selected from it and so forth. According to the African Development Bank (1999) the small-scale farmers are sub-divided into three sub-groups: communal farmers numbering one million farming households (or units) and occupying 51% of the land; resettlement farmers occupying 10% of the land and numbering 76 000; and small-scale commercial farmers numbering 8 500 and occupying 4.5% of the land. The large-scale farms are sub-divided into two sub-groups: large-scale private commercial farms numbering 4 850 and occupying 33% of the land; and large agricultural companies and state farms numbering sixty and occupying 1.5% of the land. Data of FAO (2005) estimates the population of Zimbabwe in 1999 as 11.4 million (composed of 67% blacks in the rural areas; 31% blacks in the urban areas; 1% mixed and Asians; and less than 1% whites).

It is important to point out that the large-scale farmers were included in this study in order to compare and determine the impact of SAP's vis-à-vis the small farmers. The IMF/WB programmes are aimed at improving the economic and living standards of the rural poor. The World Bank Policy Research Report (1994) observed that the African farmers have faced the world's heaviest rates of agricultural taxation, perhaps partly because agriculture has been such a crucial source of revenue for SSA governments.



Hence agricultural reform is high on IMF/WB adjustment agenda because agriculture accounts for roughly 35% of SSA's Gross Domestic Product, 40% of exports, and about 70% of employment. But, Danaher (2001) states that in Southern countries (which include SSA) demands for jobs, decent livelihoods, land, water, and food security have reached a new crescendo. The reason, Danaher (2001), is that for millions of small farmers, fisher folk, and indigenous peoples, trade liberalisation (SAP) has deprived them of access to and control over natural resources and denied their basic human rights to an adequate standard of living. Therefore these two conflicting pronouncements make this study relevant.

### **3.15.1 Selection Guidelines**

As indicated earlier, the purposeful random sampling method will be used in this study. Patton (2002) states that the logic and power of this method derive from the emphasis on in-depth understanding. He says that this leads to selecting information-rich cases for study in depth. Information-rich cases are those from which one can learn a great deal about issues of central importance to the purpose of the research, thus the term purposeful sampling. For example, the purpose of this evaluation is to increase the effectiveness of a programme (SAP's) in reaching lower-socioeconomic groups. The researcher will learn a great deal more by focusing in depth on understanding the needs, interests, and incentives of a small number of carefully selected rural farmers than by gathering standardised information from a large statistically significant sample. Patton (2002) summarises that, the cases sampled can be individual people, families, organisations, cultures, incidents, or activities. The purpose of purposeful sampling is to select information-rich cases whose study will illuminate the questions under scrutiny.

The gatekeeper for the First Phase of the interviews was briefed in detail on the selection of respondents via face to face meetings (these were held in October 2003 when the researcher was in Zimbabwe to seek permission for the research study from government officials and to lay the ground work for the interviews six months before the start) telephone and email discussions. The gatekeeper was shown the sampling area as shown in Figure 3.3 (page 161).



The gatekeeper was given an example of the outlines to use when selecting the respondents for the various categories. These are shown in Appendix 2.

The respondents were to be selected from persons of fifty years and above. The reason for selecting farmers who were over 50 years old was that the researcher wanted to interview people who had experienced farming before and after Zimbabwe's Independence (gained in 1980). The two periods had contrasting scenarios especially in the economic activities, availability of farming inputs and marketing strategies. The governments were very diverse in outlook and performance and the period before Independence did not have the IMF/WB influence.

The month of April was selected because during this month, the farming activities in Zimbabwe are at their lowest and therefore farmers will have spare time on their hands to do interviews. It is also the tail end of the rain season and therefore floods and the like will not hinder travel.

### **3.16 Structure of the questions.**

Questions for this research study were derived from the literature search as detailed in Chapter Two of this thesis. These were derived from the objectives, indicators and findings of the research study, and the gaps emerging and discovered from the literature search and from the first fieldwork interviews. Patton (2002) suggests that an evaluation can be broken down as *objectives, inputs, processes and outcomes*. The study will follow this suggestion. There is going to be a different focus on each category of respondents and the questions will be designed as such. For example the IMF/WB and the academics will be asked to inform the research study a lot about objectives and inputs of SAP's. The farmers will be asked to inform the research about processes and outcomes. Kibel (1999:13) has this to say about outcomes evaluation: "For programmes engaged in healing, transformation and prevention, the best source and form of information are client (respondent) stories. There is a richness here that numbers (as in quantitative research) alone cannot capture." Patton (2002) states that outcomes evaluation has become a central focus, if not the central focus, of accountability-driven evaluation.



It is hoped this strategy will bring out well-crafted case studies that can tell stories, capture unintended impacts and ripple effects, and illuminate dimensions of desired outcomes that are difficult to quantify (for example, what it means for someone to become self-sufficient). Such qualitative data can add significantly to statistical reporting to create a more comprehensive accountability system (Patton ,2002).

Detailed case studies can be even more important when evaluating outcomes attainment for programme improvement (in this research study the SAP's) as opposed to external accountability reporting (Kibel, 1999). To simply know that a targeted indicator has been met (or not met) provides little information for programme improvement. By getting into case details better illuminates what worked and did not work along the journey to outcomes (the kind of understanding a programme needs to undertake improvement initiatives).

Kibel (1999) observed that respondents in each category/case may experience a similar psycho-therapeutic intervention process; the meaning of the outcomes for their personal lives will be quite different. What this research will want to document is the unique meaning of the outcomes for each respondent.

A focus on process involves looking at how something happens rather than or in addition to examining outputs and outcomes. Patton (2002) notes that evaluations vary in their emphasis on process in part because programmes vary in their attention to process and qualitative inquiry is highly appropriate for studying process because:

- Depicting process requires detailed descriptions of how people engage with each other.
- The experience of process typically varies for different people so their experiences need to be captured in their own words.
- Process is fluid and dynamic so it cannot be fairly summarised on a single rating scale at one point in time.
- Respondents' or participants' perceptions are a key process consideration.



The format of the questions will be as follows:

- What are the things people experience that makes a programme what it is?
- How are clients (respondents) brought into the programme?
- How do they move through the programme once they are participants?
- How is what people do related to what they are trying to (or actually do) accomplish?
- What are the strengths and weaknesses of the programme from the perspective of participants?
- What is the nature of the respondents-IMF/WB and country governments interactions?

### **3.16.1 Purpose of Study.**

The purpose of this study, as mentioned earlier, is to analyse literature on SAP's Frameworks (Models) specifically relating to agricultural production and marketing strategies in SSA and to Zimbabwe in particular; to undertake a comprehensive review and evaluation in order to assess the strategic operational results of the SAP's Frameworks and applied to Zimbabwe's agricultural sector; and finally on the basis of this analysis to propose a more effective Zimbabwe-specific framework (BETA Framework) for use in agricultural reform operations and by extension of relevance to other SSA countries operating and experiencing similar agricultural economies. Therefore the questions for the interviews will be related to these issues. From the literature review the researcher reasoned that the respondents needed to respond, comment, and give understanding and find awareness to the following issues (which are listed according to categories):

#### **3.16.1.1 IMF/WB Objectives Category.**

- Reduction of direct state involvement in the production, distribution and marketing of agricultural inputs and commodities.
- Removal of government subsidies in the agricultural sector.
- Liberalisation of export and import trade.
- Privatisation of agricultural marketing.



- Liberalisation of the exchange rate (to eliminate currency overvaluation)
- Central government to control inflation.
- Liberalisation of trade in agricultural inputs and outputs.
- Parastatal reform and privatisation.
- Focusing on social development, inclusion, governance and institution-building as key elements of poverty reduction.
- Natural resources management to eliminate forest destruction and soil degradation (this may, if left to increase, negatively affect rainfall, destroy wildlife and reduce soil fertility, including soil pH, and crop yields in many SSA countries).
- Achieving export growth rate of 10% per year (this being championed by agricultural production).

#### **3.16.1.2 Findings Category.**

- Financial aid works in a good policy environment. Financial assistance leads to faster growth, poverty reduction, and gains in social indicators in developing countries with sound economic management.
- Improvements in economic institutions and policies in the developing world is the key to a quantum leap in poverty reduction.
- Effective aid complements private investment. In countries with sound economic management, foreign aid does not replace private initiative.
- The value of development projects is to strengthen institutions and policies so that services can be effectively delivered. Aid brings a package of knowledge and finance. Most aid is delivered as investment projects in particular sectors such as roads, water supply, agriculture or education.
- An active civil society improves public services. The top-down, technocratic approach to project design and service delivery has not worked in areas of critical development, for example, irrigation schemes, natural resources management and many more.
- Aid can nurture reform in even the most distorted environments but it requires patience and focus on ideas, not money. In some of the poorest countries of the



world, the government is not providing effective policies or services, which is why government-to-government transfers have yielded poor results.

- Policy formulation is primarily driven by domestic political economy. It is hard to find simple generalisations about successful and failed reforms, but one striking fact is that countries that have truly severe economic and political crises tend to move to the extremes, either falling apart or developing coherent reform movements.
- Successful reformers have consultative processes that build consensus for change. There is no relationship between formal democratic institutions and good economic policy.
- Large amounts of aid to countries with bad policy sustained those poor policies. The funding allowed the delay of reform. Attaching conditions to the aid in these cases has not successfully led to policy changes, nor has it delayed the disbursement of funds.
- Aid played a significant and positive role in the two sustained reformers (Ghana and Uganda). In these cases finance grew as policy improved and increased the benefits of reform, helping sustain political support.
- In general, donors have not discriminated effectively among different countries and different phases of the reform process. Donors tend to provide the same package of assistance everywhere and at all times.
- Lessons from Ghana and Uganda cases are that donors should concentrate on technical assistance and other soft support without large-scale budget or balance of payments support in the phase before governments are serious about reform. If a reform movement develops, finance can be increased as policies actually improve.
- SSA's economic growth, never spectacular has been the weakest among the developing regions. Between 1965 and 1980 agricultural growth rose only by 2% a year – less than the rate of population growth. Between 1981 and 1985, it fell by 0.6% per year. Compare that with agricultural growth of 3.2% per year in East Asia, 2.5% in South Asia and 3.1% in Latin America.



- The main factors behind the stagnation and decline were poor policies – macroeconomic and sectoral – emanating from a development paradigm that gave the state a promised role in production and in regulating economic activity.
- Agricultural reforms have exacerbated inequalities. Export promotion, import liberalisation and the withdrawal of government support in the agricultural sector have served to reinforce differentiated access to resources for production. Much of the economic benefits of export promotion have accrued only to large-scale farmers, as small-scale farmers have lacked opportunities to enter and gain within the liberalised market.
- Constraints such as lack of rural infrastructure, particularly in remote areas where the poor are concentrated, were inadequately addressed in the reform process.
- The concentration of land use for large-scale production of export crops has replaced cultivation of food crops for local consumption and has tended to push small farmers to over exploit marginal-quality land.
- The income of farmers overall has not improved as a result of reforms. This has primarily been due to cost increases associated with agricultural production inputs (planting seeds, crop fertilisers and chemicals, irrigation and farm equipment and implements) as production costs tended to increase more than any growth in income from sales.
- Small-scale farmers have been particularly affected because, as a result of the reforms, production subsidies were removed, public expenditure on extension services declined, and obtaining credit became more costly.
- One of the reasons that SSA is so poor is that most small-scale farmers are unable to turn their assets into liquid capital. They do not have title deeds to the homes they own and therefore banks will not accept their homes as collateral for a loan.
- Liberalisation has increased the reliance of small-scale farmers on middlemen who market both farming supplies and produce. This has increased the costs and lowered the income of these farmers, whose marketing options have become more limited as a result of the withdrawal of the state from this function.
- Food security has declined in most countries. The impact of adjustment policies on food supply and accessibility has varied depending on socio-economic



conditions, with the rural poor tending to be the most affected. Reforms were undertaken with the assumption that local supply is not important, as access food can be obtained through the market.

- A major cause of food insecurity has been low yields, which have been linked to reform policies that have reduced state support for extension services and production inputs.
- Agricultural adjustment policies have led to further environmental problems. Sector-reform policies have favoured large-scale monoculture and led to a further concentration of resources. These new patterns of agricultural production have polluted land and water with chemicals from intensive and uncontrolled fertiliser and pesticide use, depleted water tables through irrational use of irrigation, caused soil erosion and exhausted vital natural resources.
- Agricultural adjustment measures have had substantial differentiated impacts on men and women, with women tending to bear the greater burden. The existing gender-based division of labour, the level of women's access to, and control of, resources (for example, land and credit), and the position of women in different cultures were found to be important factors determining how women have been affected differently than men as a result of agricultural policy reforms. The problems faced by smallholders due to these reforms, especially those measures that have promoted production for export, have placed particularly heavy burdens on women in countries in which they are primary producers.
- The long-term trend in declining agricultural prices means that farmers must increase productivity even faster and/or diversify into niche market value produce.
- Global warming poses a huge threat to agriculture in the arid and semi-arid tropics, notably increasing the frequency and intensity of droughts, and new patterns of pests and diseases. Desertification, water shortage, changed growing season patterns, new threats from disease and pests and more extreme weather events present new challenges to agriculture and IMF/WB reform programmes.



### **3.16.1.3 Indicators Category.**

Selected Economic and Financial Indicators can be found in Chapter 2 under the section on Zimbabwe from Table 2.8 to Table 2.12 (pages 96-97).

#### **IMF and WB Voting Shares**

The authority bestowed on the IMF and WB raises important questions about how it operates. While developing countries account for the majority of IMF/WB members, the survival of the old quota system has prevented any distribution of political clout (see Table 2.1). Among the consequences are:

- The United States of America accounts for 19.7% of the votes on the IMF's board – more than Latin America, South Asia, and SSA combined.
- Belgium, with a population of eleven million people, has more votes than India, with a population of almost one billion people.
- The United Kingdom has more votes than the forty SSA countries represented on the IMF board.

In light of this state of affairs, leaders of developing countries have been demanding for reforms to be made within the IMF and WB.

Indicators are used to indicate/check and compare progress and discrepancies in, for example, economic performance or reform programmes.

### **3.16.1.4. Gaps Category.**

- Technology-based agricultural has not come to SSA on a significant scale. Most of the 1.7 to 1.9% per annum average agricultural growth that has occurred has been due to expansion of cultivated areas and not yield increases. There has been little demand by farmers for yield-increasing agricultural technologies.
- There has been little investment in, for example, irrigation, which was a major input into Asia's Green Revolution. The whole of SSA has only 2% of land under irrigation but there is an abundance of water to tenfold the current area under irrigation.



- Agricultural growth in SSA countries successfully adjusting economic policy is now running at about 3.8% per annum compared to 0.5% per annum growth for non-adjusters. Most adjusting countries still have more to do in terms of policy reform, which could bring more of them up to the 4% growth target.
- Globally, agriculture has seen remarkable performance over the 50 years. The spectre of population growth outstripping agriculture's ability to meet human needs has not materialised. Food prices have progressively declined in real terms. However, this positive global picture masks major regional differences. Chronic hunger and grinding rural poverty persists. This can be explained by regional divergence in agricultural performance. While for developing countries as a whole, per capita agricultural production increased by about 40% between 1980 and 2001, in Africa it fell by about 5%.
- Growth of agricultural output and employment has slowed sharply between 1970s and the late 1990s in Asia and SSA but often, especially for the poor, without much expansion in alternative livelihood options.
- The implications of agricultural stagnation in Africa are serious and diverse. SSA is the only continent where the number of hungry people has increased and is projected to increase further.
- SSA countries are complaining that the IMF and WB do not discriminate between the developed and developing countries when issuing funds for policy reforms. Same prescription for everyone regardless of circumstances.

### **3.16.2 Check Questions**

Appendix 3 gives the detailed check questions for all the categories interviewed in the First Fieldwork Phase.

### **3.17 The Interviews.**

This researcher arrived in Zimbabwe on the 18<sup>th</sup> of April 2004, for a four and half week research interview period. The first meeting with the gatekeeper for the First Phase of interviews was held on the following day (19/04/2004). The purpose of this meeting was for the researcher to be briefed on the timetable for carrying out the interviews. It had



been agreed previously to do all the interviews during the first three weeks of the researcher's visit to Zimbabwe and the last week was left open for any eventualities for example, re-interviews, clarifying issues emanating from interviews and various discussions with people involved with agriculture in Zimbabwe. The researcher had access to a vehicle for use during the period of the interviews. The gatekeeper was available to travel with the researcher to all interview appointments. Family commitments and obligations of the gatekeeper were taken into account and therefore we returned to base (Harare) at the end of each day.

The briefing session revealed that the first appointment was to be with the Zimbabwe Farmers' Union (ZFU). ZFU are the representative association for the Communal, Resettlement and Small Scale farmers. The gatekeeper explained that during the time she was organising the interview timetable it became apparent that the powers that be in ZFU wanted to have a meeting with the researcher to discuss among other things the purpose and benefits of the interviews. They also wanted to have sight of the researcher. It was agreed to go ahead with this meeting with ZFU before the commencement of the interviews for good public relations.

An interview schedule and summary example is shown in Appendix 4.

Please note that at the beginning of each interview, the respondents' anonymity and confidentiality were guaranteed by both the researcher and gatekeeper. The purpose of the research was also explained to the respondents at the outset of each session. The respondents were requested to be available and provide more information at a later date after the interview if this was found to be necessary.

In between interviews the researcher spent most of the time listening to tape recordings to see if there were any gaps in the interviews which would require revisiting the respondents. Patton (2002) states that the period after an interview or observation is critical to the rigor and validity of qualitative inquiry. This is the time for guaranteeing the quality of the data. Transcribing of the recordings also began during this period.



Time was also set aside to drive around the country side in between interviews observing the infrastructure and confirming issues from the interviews.

This also gave the opportunity to have informal meetings with agricultural personnel, both private and public for the purposes of clarification and confirmation.

### **3.18 In the Field.**

During the course of the first fieldwork phase, ideas about directions for analysis occurred. Patterns took shape and themes sprang to mind. At this stage hypotheses emerged that informed the subsequent second fieldwork. Patton (2002) observed that, while earlier stages of fieldwork tend to be generative and emergent, following wherever the data lead, later stages bring closure by moving toward confirmatory data collection – deepening insights into and confirming (or disconfirming) patterns that seem to have appeared.

The rationale for the first fieldwork was to establish the efficiency of the current ESAP Model on the agricultural sector in Zimbabwe. This was done first by analysing the literature on donor communities (IMF and WB included) on the Model specifically relating to agricultural operations in SSA and to Zimbabwe in particular.

Ideas for making sense of the data that emerge while still in the field obviously constitute the beginning of analysis. The taking of and tracking analytical insights that occur during data collection are part of the fieldwork and the start of qualitative analysis. Miles and Huberman (1994) state that, too much focus on analysis while fieldwork is still going on can interfere with openness of naturalistic inquiry, which is its strength. Rushing to premature conclusions should be avoided. But repressing analytical insights may mean losing them forever, for there is no guarantee they will return. Patton (2002) notes that, repressing in-the-field insights removes the opportunity to deepen data collection that would test the authenticity of those insights while still in the field and fails to acknowledge the confirmatory possibilities of the closing stages of fieldwork. He adds that such overlapping of data collection and analysis improves both the quality of data



collected and the quality of the analysis so long as the fieldworker takes care not to allow these initial interpretations to overly confine analytical possibilities. Miles and Huberman (1994) emphasise that instead of focusing additional data collection entirely on confirming preliminary field hypotheses, the inquiry should become particularly sensitive to looking for alternative explanations and patterns that would invalidate initial insights.

Actually when data collection has formally ended and it is time to begin the final analysis, the researcher will have two primary sources to draw from in organising the analysis, that is;

- ❖ The questions that were generated during the conceptual and design phases of the study, prior to fieldwork
- ❖ Analytic insights and interpretations that emerged during data collection.

It should be noted that once analysis and writing are under way, fieldwork may not be over. On occasions, gaps or ambiguities found during analysis cry out for more data collection, so, where possible respondents may be contacted again to clarify or deepen responses, or new observations are made to enrich descriptions. Time for these activities was scheduled in during both the fieldwork phases, in this research study.

But often additional fieldwork is not possible due to time constraint and sometimes non availability a second time of respondents. During the second fieldwork phase, the situation in Zimbabwe was getting tense after the general elections held in April 2005 due to claims and counter claims of vote rigging. The government security agents were suspicious of people who went round interviewing the citizens of Zimbabwe. The government was not going to tolerate any bad publicity by international media. Confiscation and destruction of recorded material was a high possibility. Therefore such gaps and unresolved ambiguities are noted as part of the final report. Patton (2002) states that, no amount of additional fieldwork can, or should be used to force the vagaries of the real world into hard-and-fast conclusions or categories. Such perfectionist and forced analysis ultimately undermines the authenticity of inductive qualitative analysis (Patton 2002).



### **3.19 Data Analysis: Field Work**

The respondents were put into groups which were relevant to their farming activities, that is, communal, resettlement and small scale farmers in one group and large scale farmers in a group of their own. The agricultural providers were also grouped in a similar way, that is, agricultural companies, academics and IMF/WB.

This was done because each group was unique and operated from a different environment, for example, the farming activities of a communal farmer are very different from that of a large scale farmer (who is highly sophisticated and mechanised in his farming operations).

Firstly all notes and tape recordings were reviewed several times in order to pick up relevant points and issues. All interviews were transcribed. Transcription and analysis was done from May to August 2004. Data was coded in a table format so that it could be analysed for better understanding and also to look for patterns and themes. Responses which were seen to be important and crucial have been produced verbatim in the thesis for emphasis.

Questions were coded and grouped in the following manner:

Infrastructure	= INFR
Extension	= EXTN
Production	= PRDN
Loans	= LNS
Marketing	= MKT
Structural Adjustment Programmes	= SAP
Climate	= CLM
Social	= SOC
HIV/AIDS	= HIV/AIDS
Research	= RES

Appendix 5 gives an example of a full transcript of one of the interviews held with respondents in this study. Appendix 6 gives an example of how the content analysis was done in this thesis.



### **3.20 Reliability, Validity and Reflexivity**

This section will explain how reliability, validity and reflexivity were achieved and confirmed in this thesis.

#### **(a) Reliability**

Reliability in qualitative research (as in this study) cannot be measured in the same manner as in quantitative research. Quantitative research has the ability to use Cronbach's Alpha to measure reliability. Although the term reliability is a concept used for testing or evaluating, quantitative research, the idea is most often used in all kinds of research. In order to overcome this, this study used the triangulation strategy (test) for confirming reliability. Golafshani (2003) states that triangulation is typically a strategy for improving the validity and reliability of research or evaluation of findings. The use of a cross-culture of respondents [farmers, agricultural companies (marketers and manufacturers), academics and IMF/WB personnel] provided the necessary triangulation to test reliability in this study.

To ensure reliability in qualitative research examination of trustworthiness is crucial. Seale (1999) while establishing good quality studies through reliability and validity in qualitative research, states that the trustworthiness of a research report lies at the heart of issues conventionally discussed as validity and reliability.

#### **(b) Validity**

The research used triangulation to confirm validity. This was the use of experts in the form of agricultural companies, academics in SAPs and the IMF/WB as respondents in the data collection and analyses. Patton (2002) advocates the use of triangulation by stating that triangulation strengthens a study.

If the validity or trustworthiness can be maximised or tested (for example through the use of triangulation as in this research) then more credible and defensible result may lead to generalisability which is one of the concepts suggested by Stenbacka (2001) as the structure for both doing and documenting high quality qualitative research. Therefore, the



quality of a research study is related to generalisability of the result and thereby to the testing and increasing the validity or trustworthiness of the research.

Lincoln and Guba (1985) proposed four criteria (Table 3.8) for judging the validity of qualitative research and explicitly offered these as an alternative to more traditional quantitatively-oriented criteria.

**Table 3.8 Four Criteria for Judging Validity of Qualitative Research**

Traditional Criteria for Judging Quantitative Research	Alternative Criteria for Judging Qualitative Research
Internal Validity	Credibility
External Validity	Transferability
Reliability	Dependability
Objectivity	Confirmability

**(bi) Credibility**

The criteria involve establishing that the results of qualitative research are credible or believable from the perspective of the participant in the research. Since the purpose of qualitative research is to describe or understand the phenomena of interest from the respondent's eyes, the respondents are the only ones who can legitimately judge the credibility of the results.

**(bii) Transferability**

This is the degree to which the results of qualitative research can be generalised or transferred to other contexts or settings. From a qualitative perspective transferability is primarily the responsibility of the one doing the generalising. It is the responsibility of me as the researcher to enhance transferability by doing a thorough job of describing the research context and the assumptions that were central to the research. The person who wishes to "transfer" the results to a different context is then responsible for making the judgement of how sensible the transfer is. The results of this research can be transferred successfully to a different context inside Zimbabwe but not necessarily outside its



borders. One requires having a country with identical environment, throughout, as Zimbabwe for the results to be transferred successfully.

**(biii) Dependability**

Essentially this is concerned with whether one could obtain the same results if one could observe the same thing twice. But we cannot actually measure the same thing twice – by definition if we are measuring twice we are measuring two different things.

The idea of dependability, on the other hand, emphasises the need for the researcher to account for the ever-changing context within which research occurs. The research is responsible for describing the changes that occur in the setting and how these changes affected the way the research approached the study.

**(biv) Confirmability**

This refers to the degree to which the results of the research could be confirmed or corroborated by others. Qualitative research tends to assume that each researcher brings a unique perspective to the study. There are a number of strategies for enhancing confirmability. This study used the triangulation strategy to establish confirmability.

**(c) Reflexivity**

Reflexivity is the qualitative way of emphasising the importance of self-awareness, political/cultural consciousness, and ownership of one's perspective.

Reflexivity reminds the qualitative researcher to be attentive to and conscious of the cultural, political, social, linguistic and ideological origins of one's own perspective and voices of those one interviews and those to whom one reports. This research used the reflexive triangulation to enhance this.

Examples of reflexivity used in this research:

- Respondents were free to use the language of their choice, that is, English or Shona or Ndebele during interviews (researcher fluent in all three). Gender was not considered when selecting respondents.



- For the audience this research goes through a rich description, thoughtful sequencing, appropriate use of quotes and contextual clarity so that the reader joins the inquirer in the search of meaning.
- It takes considerable self-awareness and confidence to report that: I recorded, transcribed and analysed 51 interviews; these are the themes I found; here (in the research thesis) is what I think they mean; and here is the process I undertook to arrive at those meanings.

### 3.21 Conclusion

In summary this chapter confirmed that this thesis will take the *postpositivist stance* because the stance is appropriate for studying human beings. The study uses respondents from the farming communities and agricultural companies in Zimbabwe, academics and personnel from IMF/WB. As the research is dealing with the issue of ‘how do we know’ and what is nature of the relationship between knower and known it will take the *qualitative inquiry* route. Qualitative methods are ways of finding out what people do know and feel by observing, interviewing and analysing documents.

Arising from the positions taken above the following will be used to support these positions:

- Inductive Approach
- Case Study Strategy
- Data Collection Methods will involve (i) in-depth, open-ended interviews and written documents (ii) sampling and (iii) triangulation.
- Content Analysis to examine words and phrases from recorded interviews.

The chapter explained how the following were achieved and confirmed in the study:

- a) Reliability – triangulation strategy (test) was used.
- b) Validity – this covered credibility, transferability, dependability and confirmability. This was achieved by the use of experts in the form of agricultural companies, academics in SAPs and the IMF/WB as respondents.



- c) Reflexivity – this involved the importance of self-awareness, political/cultural consciousness and ownership of one’s perspective. The reflexive triangulation was used to enhance this.

The chapter also looked at how permission and access to research site were obtained. Ethical issues were also presented. Marshall and Rossman (1995) suggest that in order to ensure a solid qualitative proposal that displayed concern for issues of trustworthiness and showed how knowledgeable the research was an evidence of an audit trail of the cross-checking process should be shown. This is shown in Appendix 7.

The next chapter gives the results of the analyses of the two phases of the field work.



## **CHAPTER FOUR**

### **DATA ANALYSIS**



## **CHAPTER FOUR Data Analysis**

### **4.0 Introduction**

This chapter presents and discusses the data analyses of the two fieldwork phases carried out in Zimbabwe. Selected responses from various respondents are given in order to emphasise important and crucial points. The researcher made comments and provided recommendations on responses given by the participants. Lastly the chapter summary is given.

The challenge of this qualitative analysis lies in making sense of massive amounts of data collected in the literature search and the two fieldwork phases. Patton (2002) states that this involves reducing the volume of raw information, sifting trivia from significance, identifying significant patterns and constructing a framework of communicating the essence of what the data reveal. Miles and Huberman (1984) warn that there are a few “agreed-on canons” for qualitative data analysis, in the sense of shared ground rules for drawing conclusions and verifying their sturdiness. In short there are:

- ❖ No formulas for determining significance
- ❖ No ways exist of perfectly replicating the researcher’s analytical thought processes
- ❖ No straight forward tests can be applied for reliability and validity.

In whatever way this analysis is done, I am obliged to monitor and report my own analytical procedures and processes as fully and truthfully as possible. This means that qualitative analysis is a new stage of fieldwork in which analysts must observe their own processes even as they are doing the analysis, (Patton 2002). Hence, in this research study, all the interviews were tape recorded and this can be used as proof of evidence for whoever needs confirmation.



## **4.1 Research Findings – Communal, Resettlement and Small Scale Farmers**

Please note that the questions are all summarised. The full list of questions is found in Appendix 3. At the end of each set of responses the researcher gives comments and recommendations (**these are highlighted**) as regards the answers provided by the respondents.

### **4.1.1. Infrastructure (INFR)**

#### ***1) State of roads.***

An analysis of the respondents showed that 50% thought the roads were in a bad state because of non maintenance by the central government, 25% thought they were alright, and those which stated they were alright it was because they lived in villages near a main road or where councillors were working with their constituency. A typical response was:

*Respondent: “Yes, these things can affect operations. This is happening in areas where councillors are not working with their constituency. In areas where councillors are working with their people this problem has been addressed. There are people who are willing to help; this includes people who buy the produce.”*

#### ***2) Impact created by poor roads***

Shortage of transport and delays in marketing produce was attributed to bad roads by half of respondents. Quality of produce was affected as a result. The issue of non active councillors was brought out again.

#### ***3) What is causing the poor state of roads?***

Zimbabwe’s fuel shortages and prolonged heavy rains were seen by 40% of the interviewees as being the cause of poor roads, while others saw lack of funds by both government and local authorities as a reason. Again government and lazy councillors were blamed for state of roads.

**Neglect of roads connecting town to country and the prevailing focus of government infrastructure investment in the big cities/towns had cut the agricultural sector off from urban and export markets. It has also cut farmers off from the source of improved inputs and equipment, which were the towns. It was from secondary**



**towns that most services were provided to farming communities and where the immediate collection markets for agricultural produce were usually found.**

***4) What are you doing to improve your roads?***

The analysis brought out that although the respondents were aware of the state of their roads, they all were not in a position to resolve the problem themselves. They depended on government and buyers of their agricultural produce to sort out this problem, and also believed in each person going their own way to resolve this issue, for example:

*Respondent: "No. They don't. But they supply us with transport to ferry the produce. This problem could have been bigger but we as farmers have spoken to government as regards our tobacco crop. We have foreign currency that we earn. About 20% of the value of our tobacco is paid in hard foreign currency. We have been using this to import tractors. These tractors have been helping us to ease the transport shortages. These tractors are also able to move without difficulty on poor roads. But the most important thing is that councillors must be willing to work with and for the people. There's a government programme called 'Food for Work'. This programme helps the repair and maintenance of roads on a minor scale. There's another programme which deals with major repairs. There is the CAMPFIRE programme as well. This helps in the repair and maintenance of roads".*

[CAMPFIRE stands for Communal Areas Management Programme for Indigenous Resources. This is a programme designed to assist rural development and conservation and is run and sponsored by an NGO].

**Greatly expanded investment in roads linking country to town was imperative. These include rural roads, as well as secondary and primary roads. Rural roads however had been the most neglected. Although roads were the main infrastructure need of agriculture, investment needs also to exist in port facilities and telecommunications. In many African countries, the high transport cost was the single most important constraint to expanding commercial agriculture. Where this constraint exists, there was a greater tendency for the agricultural needs of the cities to be served by imports. Generally, to redress the excessive urban bias of the past, there should be a reallocation of public sector transport infrastructure investment from the large towns to secondary towns as well as to rural areas. Secondary towns**



were often the first collection markets for agricultural produce and the point of wholesale for agricultural inputs and services.

#### **4.1.2. Extension (EXTN)**

##### ***1) Who provides extension services to you?***

All respondents showed that they depended on government sponsored extension services and relied on agricultural companies and large scale farmers for their extension information. Out of these 40% mentioned that government had improved agricultural extension by providing extra extension personnel but 40% others felt that government extension workers and extension services provided by agricultural companies as inefficient and deteriorating.

Ten years after independence, government agricultural extension services in Zimbabwe, most often donor- supported, had not helped bring relevant agricultural and livestock technology to the farmer on a significant scale. This study found an extraordinary deterioration of agricultural research and of agricultural services in general. Common criticisms highlighted, by the researcher, from the study:

- ❖ **Extension staff poorly trained and know little more than the farmers know.**
- ❖ **Staff poorly paid and little or no motivation to share whatever knowledge they do have.**
- ❖ **Management systems were poor, so much so that there was little pressure on staff or their managers to seek new knowledge or to serve farmers.**
- ❖ **Rural farmers were treated as ignorant recipients of information, rather than knowledgeable partners in technology transfer.**
- ❖ **Extension agents were not accountable to farmers.**
- ❖ **In many cases operating facilities, vehicles and bicycles were so rare that the few motivated and knowledgeable extension staff cannot visit farmers even if they wanted to. (Some extension staff find it derogatory to ride bicycles, in preference to motorcycles. A situation created by NGOs who had provided their extension workers with motorised cycles).**



**2) Are you in a position to provide farming advice to your fellow farmers?**

The majority of respondents were not confident in providing advice to fellow farmers and 40% would only give advice only if asked.

Female respondent: *“As a female farmer I find it difficult to offer advice. I am not confident to do so. All I do is always listen and learn.”*

**At times agricultural innovations were better disseminated by farmers themselves. Hence the need to have agricultural curricula from primary school to university introduced by government in the education system. This would make farmers have agricultural knowledge from an early stage and thus make them more confident and interested in sharing agricultural information amongst them.**

**4.1.3 Production (PRDN).**

**1) What type of crops do you grow?**

Analysis showed that all respondents grew cash crops, for example, cotton, tobacco, paprika or soyabeans. Maize was grown for home consumption or to attract farm labourers. At least 40% were not growing maize because of poor producer prices.

**The pattern here showed that the Zimbabwean farmers were treating farming as a serious business venture; hence the predominance of producing cash crops at the expense of food crops, for example, maize. In agriculture – the mainstay of the country – the economic policy being advocated had taken the form of excessive encouragement to the growing of export crops to the detriment of maize production (the main staple crop of the nation).**

A respondent asked why they grew cash crops, the following response was given: *“The main reason is the producer prices. This is the main determining factor. Because if we look, up to now (April 2004), although we have started harvesting maize, the producer price for this crop hasn’t been announced. Normally the price is announced abruptly and too late for one to change plans. Last year (2003) I didn’t grow any tobacco. I went maize full time. The producer price was announced as Z\$250 000 per tonne. This shocked me, considering the high cost of inputs I used to produce this maize crop. This price was not going to give me any profit at all. Therefore I think it is far much better to grow*



*tobacco because the prices offered are attractive. Although the tobacco prices vary a lot due to quality produced, I still think it's profitable to go this route".*

**Maize in Zimbabwe is only marketed via the GMB a government controlled institution.**

**2) Do you do any rotations?**

Due to the land size they possessed 80% were unable to do rotations but those who did it were not doing it properly as shown by this response:

Respondent: *"Yes I do. What happens here is that wheat is grown in winter after the other crops which are grown in the summer. Therefore we don't have any problems with the growing of wheat. Because, I have irrigation, I start my tobacco in September and normally finish the crop by early December. From there my attention goes to maize production. Therefore with irrigation I am able to plan my farming operations with ease. [Interviewer: From my experience, tobacco fields are left for at least four years between tobacco crops.] This normally happens if you use chemicals which are banned. [Interviewer: What about diseases?] But if you use recommended chemicals you don't have disease problems and you can grow tobacco every two years in a field. There are also some herbicides which force you to grow tobacco in a field once in four years".*

**3) Do you own livestock? If you do what do you use them for, and how do you look after them?**

From the analysis 80% of the respondents showed that they owned various forms of livestock with cattle dominating and the balance owned nothing. Livestock was used for draught power, food and cash generation. Respondents reported that cattle numbers were dwindling due to inefficient extension services and pesticide shortages.

**In African societies ownership of livestock was regarded with greatest esteem. The loss of a single beast to diseases, droughts or thefts brings misery to these people. The shortage of pesticides was due to lack of foreign currency by central government. Most remedies were imported. But at the root of this problem was the fact that government in Zimbabwe had not usually accorded the necessary priority to agriculture both in the allocation of resources, and giving sufficient attention to policies for the promotion of productivity and improvement of rural life. Such an**



admission was an advance over the usual blame attributed to natural disasters and the deterioration of the terms of trade, although of course these do play a part in the crisis as aggravating factors.

*4) With all things equal, what type of agricultural operations do you think will make you, your family and the country at large self-sufficient?*

a) The following table shows the operations elected by the respondents (ten farmers):

**Table 4.1 Agricultural Operations**

Crop produced	% of farmers growing crop
Tobacco	100
Cotton	50
Maize	50
Soya Beans	70
Wheat	30
Groundnuts	10
Paprika	20
Sunflowers	10

As indicated in Chapter 3 these respondents were well spaced out in the 100 kilometre radius and therefore there was no chance of them influencing each other on what crops to grow. From the above analysis it can be deduced that some very influential and persuasive organisation or person had manipulated farmers to grow mainly tobacco and soyabeans. The high producer price offered for the two crops could be a factor here as well. In normal circumstances tobacco followed soyabeans in a rotation.

On the choice of crops selected one respondent commented:

*“Yes. Yes. Definitely because, eh, I mean farming is a business. So really one would go where profits are. And one tends to be attracted by the, you know, those commodities which would fetch higher, you know, eh, profits, yields and things like that. So, eh, yes. Like this year for example I had to reduce my maize because, eh, I felt that the price given, the the producer price weren’t good, and eh, it’s just that I have no water on my farm. Once I get water sorted out I would go for the cash crops which fetch higher returns.”*



Although most respondents said they got their farming expertise from what is left of AREX, one had this to say:

*“Actually on our own, I mean we just scout around, going to them rather than them coming to us. We just go to the technical experts for technical advice and also depending on those farmers with experience ....”*

**Agro-business companies were just offering good producer prices but not interested in giving proper farming methods. This would impact negatively on the whole agricultural scenario. Some donors and agricultural companies were still competing with one another and not sufficiently concerned about co-ordination of their efforts to be effective in arresting the situation.**

#### **4.1.4 Loans (LNS)**

*1) Do you seek loans for your inputs and what planning do you do for your application?*

All the respondents mentioned that they sought loans well before the beginning of each summer season but were not happy with the delays in the disbursing of loans by the loan providers. This they believed caused late delivery of crop inputs and therefore compromising the quality of the crops produced.

**One should envisage the volume of paper work which was required to process over 700 000 loan applications from Communal, Resettlement and Small Scale farmers. This obviously took a long time and therefore affected the timing of approval of the loan applications. This caused delays in sourcing of inputs and farmers start planting their crops midway through the season. This resulted in low yields and poor quality crops. Ways must be found of reducing transaction period and costs through, for example, group lending, linkage to cooperatives, farmer groups, to traders and agro-business which can function as intermediaries for lending. These combine savings by members with lending to groups that assumed collective liability for the debt. Peer pressure increased the likelihood of repayment, since non-payment by one may result in the loss of credit to the group.**



Concern from one respondent:

*“But our major problem is with those who provide us with farming loans. There are delays in providing loans. Companies which are providing us with inputs are also delaying. For example, myself as a small scale farmer I had joined to be a tobacco grower. Therefore, I went to ask for a loan to grow this crop from a company. I was looking at getting my inputs at the beginning of the season in October (2003) but I received these in January (2004). At this time the inputs are not very helpful because the season is already advanced. This is one of the problems we face with these people who pretend to be helping us.”*

## **2) Who provides you with these loans?**

All respondents approached Agribank (a government controlled institution) for loans and did contract farming with various companies, for example, COTTCO, Cargill, FSI, Farmers World and TGT. Some of the respondents (20%) encountered problems in having loans approved due to lack of collateral. Due to the misuse of loan funds, 20% of respondents preferred getting loans in form of vouchers. A typical response was:

*Respondent: “If I had my way, I would like to see farmers getting input vouchers instead of cash. This will force the farmer to use his loan in the way it was intended. By giving cash the loan providers are tempting farmers to use the funds on other things which are not farming inputs. Some of the cash is now used for lobola (marriage dowry) and things of similar nature. People should be given cheques only payable to suppliers of inputs.”*

**On the issue of collateral, most smallholder farmers in Zimbabwe did not own the land they cultivate. The state owned the land. Lack of clear ownership meant that the poor peasants cannot use their property as collateral to get loans. Hence more and more farmers were being forced into contract farming where they have no control over the choice of crops grown or the cost of inputs provided or the producer price offered. Without access to efficient and fair credit, smallholder farmers found it hard to afford the tools and seeds that might make them more productive and would-be entrepreneurs find it hard to get started.**

## **3) What is causing the delays in the disbursing of loans?**

Respondents showed a lot of excuses, such as, all agricultural inputs procured by government for its resettlement programmes, to shortage of foreign currency to import agricultural inputs. Analysis showed that 20% of respondents never bothered to find out



why; a similar percentage received no explanation from anyone. Another 20% suspected that delivery of inputs had been affected by transporters going to do lucrative regional routes paid in US\$.

Respondent: *“Ah, I think it’s the economic situation in the country that is causing, eh, these shortages. Fuel problems are resulting in delays in deliveries. Transporters are doing more profitable tasks like going to regional routes. These are paid in American monies.”*

**It should be noted that sometimes Africa’s agricultural failure, the only continent which has a falling per capita agricultural production was certainly widely recognised but the explanations for it remained generally partial and contradictory.**

*4) Why do you not use some funds from your profits to purchase your farming requirements for the following season? What about interest rates/charge on your loans?*

All respondents believed that profit margins were not large enough and that respondents required these for paying school fees, food, medicines, clothing and housing. On the issue of interest 60% considered these to be heavy and the rest were happy or did not understand the concept of interest rates.

**Financial market reform was needed in this situation in order to stimulate the development of private and cooperative banks which served agriculture and agriculturally related industry. Government could have contributed here largely through an appropriate policy environment for banks to flourish and lend to agriculture.**



#### 4.1.5 Marketing (MKT)

##### 1) *Who do you market your produce to?*

The analysis produced the following marketing schedules from the respondents:

**Table 4.2 Marketing Schedules**

	GMB	ZTA and FW	FW	Cottco and Cargill	Cottco only	Cargill only	Small buyers	Highest bidder	Side Marketing
Maize	100%	0	0	0	0	0	0	0	0
Tobacco	0	40%	40%	0	0	0	0	10%	10%
Cotton	0	0	0	20%	20%	10%	10%	20%	20%

Crops like paprika, soyabeans and sorghum are marketed by 80% of the respondents through contract farming.

**Maize production in Zimbabwe was being curtailed by interference from central government who were demanding that all surplus maize produced in the country must be marketed through GMB. Farmers were forced to sell grain to the government for as little as a fifth of its value.**

**The government had stated categorically that it wanted to control the marketing of maize because it was a strategic crop (maize is the major staple food crop in Zimbabwe). But it had been noted with shame that the ZANU-PF led government has used maize as a political tool during general elections in order to stay in power. Rural communities were forced to vote for ZANU-PF or else they did not get maize from GMB in times of shortages. Unfortunately, maize had been in short supply in the country for a long time due to poor prices and droughts.**

##### 2) *Please comment on the producer prices being offered.*

All respondents were happy with tobacco producer prices but not happy with the maize prices and of these 20% believed that there was a cartel on pegging producer prices. The majority of respondents were disgruntled by the prices offered for cotton.



Respondent: *“The buyers of our produce, first we had COTTCO for many years, then Cargill and now Farmers World. These organisations have become our enemies. Because they are now trying to cheat us. The producer prices they are offering are not attractive. Previously we worked with them successfully. But now because there are a lot of them, they don’t care anymore. Especially last year (2003) and this season (2004) they are offering poor prices for cotton”.*

**The quality of Zimbabwean tobacco had been one of the best in the world and therefore fetched good prices for the farmers. But due to deteriorating extension and research activities the quality was forecast to drop soon. At the same time cotton was being affected by world agricultural prices which were at historically low levels, with no sign that there would be significant improvement. In part, this was due to slow expected growth in world demand for most agricultural products. Low world prices would translate into relatively low prices for peasant farmers, and for agriculture marketing and processing enterprises. This reflected increasing competition for limited world markets.**

***3) Are you producing the quality required by buyers of your products?***

Nearly all respondents (80%) were certain that they produced good quality crops and 20% blamed the delays in receiving farm inputs and late deliveries of produce to markets due to poor roads for poor quality of crops.

Respondent 1: *“Our farmers are able to grow good cotton. When our farmers used to get loans from the former Agricultural Finance Company, now Agribank, they used to get top producer prices. We have very good farmers. In this province, Mashonaland West, we have areas that we know produce good quality cotton, for example, in Sanyati, Hurungwe and Sechuru. These areas produce good quality cotton but the producer prices are disappointing to the growers”.*

Respondent 2: *“Quality is a problem when we delay sending our crops to markets because of poor roads. The way I am seeing things, quality has been compromised. But this is not due to lack of extension services only. But this also is due to the shortage of inputs like fertiliser. We are seeing a lot of farmers applying less and less fertilisers to their crops. There is a general shortage of fertilisers and the cost has become prohibitive. The same can be said about crop chemicals. This is forcing a lot of farmers to use less fertilisers and crop chemicals. The result here is poor quality”.*

Farmers believed the low producer price they were being offered had little to do with quality but a scheme by buyers to make money out of the peasant farmers. Buyers were



suspected of going into cahoots when it came to offering farmers prices for their farming produce. Farmers were saying that prices being offered were not market related.

*Respondent 4: "Yes they are working together. I believe they do hold meetings where they concur to give us poor prices. If we look at when we bought our inputs, the cost prices were not good for the farmer. We have informed these buyers of the high cost of inputs but they are not interested in increasing the buying price. This means that if the producer price is not increased to say Z\$5000 (April 2004) per kilogram, next season will see a drop in cotton farmers".*

**A frequently cited constraint, by buyers, to achievement was the lack of markets and low world prices for most agricultural and agro-industrial products from Africa. Prices have declined in real terms in the 1980s, in some cases significantly. In each case, although there were some fluctuations, the declines had been progressive from 1980 to 1991. The causes of decline in international prices had been a combination of (Brown and Tiffen, 1992):**

- ❖ Growth of production at a faster rate than growth in international demand.**
- ❖ The development of substitute products in a few cases such as sugar had expanded supply, reducing international prices.**
- ❖ Subsidies of export crops by industrial countries including cotton, cereals, vegetable oils, sugar and beet which reduced international prices for these commodities by stimulating oversupply.**

#### ***4) Do you get paid on time?***

Maize was the only crop cited for late payment by all respondents.

**There was evidence that the liberalisation of the agricultural marketing could produce positive response. With the liberalisation, for example of the cotton industry in Zimbabwe, a proliferation of local and foreign companies emerged. These competed for cotton mostly produced by peasant farmers. In order for companies to get a large share of the market they had to pay good prices and pay the farmers on time. Before the cotton industry was liberalised the government**



monopoly CMB used to take a minimum of three weeks to process payment. But when the monopoly was removed cotton buyers started paying for the cotton bought from farmers in less than twenty four hours. This system was first introduced in Zimbabwe by Cargill a foreign based company. This revolutionised the whole cotton industry in the country. But unfortunately this was not the case with maize which was marketed only via the government controlled GMB.

As one respondent put it:

*“Last year, for example, we said the maize price was low and therefore, we asked GMB to come and get the maize from the farm gate. This was in order to save the farmer the transport costs to marketing depots. GMB agreed to this. But they only did this to a few farmers. Those farmers who had their maize collected in July/August last year (2003) were only paid this year in March. This is not buying maize; it is getting maize from farmers for free.”*

##### ***5) Do you side-market some of your crops?***

The following reasons were given for side-marketing: (a) avoid paying back loans and (b) sell produce to the highest bidder.

Respondent 1: *“Our relationship with these organisations, starting from last season has not been good”.*

[Interviewer: You have mentioned that you get assistance from two sources, that is, Agribank for farming loans and various marketing organisations for your inputs. What is the relationship here?]

*“The relationship here has been that they would provide us with inputs on loan. The farmer will then use the inputs to produce a crop that he will then market and use the funds earned to pay back. But starting from last year into this year (2004) we have seen a reduction in assistance from these organisations They have been very selective on whom this assistance was given to”.*

[Interviewer: Any reason for this? Maybe these chosen few are those who have been honouring their contracts.]

*“These are the same people they have been working with in the past. I think they are giving assistance to their puppets. The rest of us are being made to suffer by being denied assistance”.*



#### **4.1.6. Structural Adjustment Programmes (SAP)**

##### ***1) What do you understand about the IMF and WB?***

The analysis revealed that 80% of respondents had no faith in ESAP and that it was the cause of all their hardships, for example, high interest rates, shortages and a depressed economy. The other 20% knew little about ESAP. Some highlights from the respondents:

Respondent 5 said this about SAP:

*“I have heard very little about ESAP. I haven’t seen the benefits in my area. I’m very keen for someone to give me details about this ESAP thing. Most people have informed me that it’s a bad thing.”*

Respondent 4:

*“We don’t understand ESAP. We haven’t seen the advantages of going this route”.*

Interviewer: Why is this?

*“Because we have not seen the advantages which ESAP was supposed to bring to the people. We were told that a free market of all things will be created, producer prices will be increased and attractive and all things would improve. But we have seen the worsening of things. Our experience is that ESAP is a failure.”*

**These two responses from peasants confirm that SAPs had impacted badly on the rural poor. The aim in undertaking this study was to demonstrate, or provide further confirmation that the crisis affecting Zimbabwe and the rest of the SSA had its profound roots in the integration of African economies into the world capitalist system and bad governance.**

##### ***2) Explain your income earnings in agricultural production before and after independence.***

The comparison between the periods yielded the following responses (a) 30% had good and profitable farming post-independence, (b) things deteriorated economically for 40% of respondents from 1984 after a profitable start in 1980, and (c) the balance 30% preferred the farming in the pre-independence era.

Respondent 4: *“Our income earnings were improved soon after independence, that is, between 1980 and 1982. During this period we were making good money in agriculture.*



*We were happy. Because in all the agricultural marketing boards we as farmers had representatives. But this presentation started to decline from 1996 to this day when the representation is almost zero. Things got worse. The new farmers were greatly affected because the interest rates shot up significantly and the exchange rate with the US\$ went wild. I think things are not getting better. We are heading for tougher times.”*

**At independence and throughout the 1980s, Zimbabwe experienced a small-holder green revolution in maize and sorghum. Yields more than doubled and led to a food production boom that was primarily led by the small holder sector. Adoption of improved varieties during this time was among the highest in SSA, reaching close to 95% (Mosley 2003). A key determinant of the boom was the heavy government investments in physical infrastructure (roads and storage facilities) and input support services. Unfortunately, an over extended government bureaucracy, together with misaligned policies, made the system financially unsustainable in the long run.**

***3) During SAP the producer prices of many crops increased favourably because of the liberalisation of the agricultural markets. Did the increase in the cost of inputs not correspond with the favourable increase in the producer prices?***

All respondents agreed that the producer prices yielded a positive note after trade liberalisation but this was not the same with high input costs. This was blamed to shortage of foreign currency, weak value of the Zimbabwean dollar and inefficiencies in government.

Respondent 3: *“Tick control is a problem. There is a shortage of chemicals used in tick-control.”*

Interviewer: *“Maybe you farmers have stopped contributing to the tick-control levy”.*

*“No! The problem in this country is artificial shortages. These tick-control pesticides, to our surprise, can be bought on the black market. You won’t find these at the veterinary outlets but only on the black market. This goes for every farming input. You get them easy on the black market. These dealers are not willing to divulge their source, otherwise their business is jeopardised. The prices are high and I think this is killing agriculture in the country.”*



**Agricultural success required a holistic approach to availability of all agricultural inputs, improved markets, and policies that encourage input use by farmers and fair prices for their production. The weak demand for inputs and their irregular and costly supply were the major factors for the disappointingly poor markets for agricultural inputs.**

***4) Why are you not talking to the buyers of your produce as regards the problems of high input costs?***

Respondents showed that different options were pursued; some approached manufacturers, others went through their union (ZFU) to sort out this problem and others sent a delegation to central government.

**Although manufacturers and suppliers of inputs might give a good ear to farmers' concerns as regards high cost of inputs, they were in no position to do anything. They faced the problem of foreign currency shortage (including the high cost of obtaining the currency) to import inputs and the raw materials that go with them. The poor state of the rural infrastructure, especially during the rain season, made the situation almost hopeless. This required all stakeholders in this industry to sit down to map up strategies to improve and sustain agriculture. One such initiative was the Comprehensive African Agricultural Development Programme (CAADP) promoted by SSA heads of state and governments as a framework for agricultural growth, food security and rural development. CAADP had set a goal of 6% annual growth in agricultural production to reach the United Nations' Millennium Development Goal of halving poverty and hunger by 2015 (Brown and Tiffen, 1992).**

**4.1.7 Irrigation (IRR)**

***1) Do you experience any droughts and floods at all and how do you deal with them?***

Different views were given as regards these two issues. Droughts did not affect 20% of respondents because they had full irrigation; 20% experienced droughts but these were not severe and rest had serious problems with droughts and were seeking irrigation facilities from government. All showed that they could not deal with floods. Respondents



showed that floods were difficult to deal with and were aware that these were due to mainly poor land conservation works.

One of the respondents had this to say about the issue:

*“Drought is one of our major problems. We have had our thoughts on this. If government promises are anything to go by we would like to have boreholes and dams so that in the event of a drought we could use these for irrigating our crops. We are experiencing a situation where dams are not enough. There is a scheme which was introduced to assist farmers with water to set up irrigation schemes. But unfortunately this has also been riddled with corruption. There are a lot of people who would like to take up irrigation farming but the opportunities are not there”.*

**Water has been described as the most valuable of Zimbabwe’s natural resources. Small holder farmers in the communal and resettlement areas have had negligible development because successive governments have not provided the necessary financial support. The unfavourable location of the smallholder schemes and lack of marketing infrastructure have contributed to poor irrigation performance. This showed that for ESAP to be successful it must be accompanied by infrastructure development. The distribution of the developed irrigated areas per sector is given in Table 4.3.**

**The Table shows only 25% of potential practical water storage of 30 000 by 106 cubic metres and 42% of the potential practical yield of 85 000 by 106 cubic metres.**

**Table 4.3 Irrigation Development as at 1997.**

SECTOR	Area Developed (ha)	%
Large-scale Commercial	93 656	79.5
Parastatal	13 500	11.5
Settler (out growers)	3 421	2.9
Smallholder	7 253	6.1
	117 830	100.0

Source: Central Statistical Office, (October 2001). *Agricultural Production on Small Scale Commercial Farms 2000*. Published by Central Statistical Office



## **4.2. Large Scale Farmers**

The same format as with the small scale farmers will be followed in this section. The full list of check questions is found in Appendix 3.

### **4.2.1. Structural Adjustment Programmes (SAP)**

#### ***1) What do you understand by the IMF/WB reform programmes?***

From the analysis it was shown that all respondents did not understand SAP and they believed that there was not enough information available about the programmes. They noted that it was only government officials who got explanations on SAP.

Respondent 1: *“There’s very little understanding in the sector that I come from in terms of these adjustment programmes. There is a lack of information. It is not disseminated to the generality of the ... of commercial farmers”.*

Respondent 2: *“The SAP promoted by international organisations are not explained fully to us farmers but to government officials. These officials are given all the details of the programmes which include the funding as well”.*

#### ***2) Would you have liked to have had meetings with IMF, WB and the Ministries of Finance and Agriculture?***

Half of the respondents showed that in order to be effective the IMF and WB should have meetings with recognised unions of agriculture in the country. The other 50% thought meetings with farmers would not work as there were no structures in agriculture at that moment especially among black farmers.

**It had been found in most ex-post agricultural project evaluation that active farmer involvement in project design and execution was a frequent ingredient of success (Cleaver, 1993).**

#### ***3. Basic principles behind agricultural market liberalisation are the removal of distortions in the market to the benefit of farmers. Did you experience this?***

All respondents had experienced benefits in that many of their crops were fetching good prices. Half of the respondents felt that government should not control prices of crops because they are not experts in farming operations.



Basically here the farmers were confirming that trade liberalisation and more generally the removal of market distortions can be expected to translate into higher economic growth performance than would otherwise be the case.

***4) The shortfall in maize production is attributed to liberalisation which has resulted in the shift to tradables such as horticultural products and wildlife farming. Please give your views/opinions on this?***

Farming was taken as business by all the respondents and would therefore grow cash crops to boost their incomes instead of controlled crops like maize. All agreed that government must de-regulate the producer price of maize in order to boost maize volumes.

**The rapid rate of increase of food imports was the result of poor agricultural performance, poor producer prices offered for maize, combined with rapid population growth and expanding urban populations unable to obtain sufficient agricultural produce from the countryside.**

***5) How efficient are the SAPs in the ability to raise incomes and improve food security?***

SAPs were not seen to be efficient and had created more poverty instead, according to all the respondents. It was also shown by 50% of the respondents that not enough analysis and consultation was done at the beginning of SAPs.

**Food imports were rising year by year in Zimbabwe. It goes without saying that for the country and most SSA countries that had serious external payments difficulties; this situation posed serious problems for food security and for economic development in general. All this had occurred after countries had embarked on SAP.**

***6) As a large scale farmer do you offer your expertise to small scale farmers so that they are able to grow export crops?***



All respondents said that those requiring help should make the first move and those who have done so had received assistance. But it was not the responsibility of large scale farmers to act as extension agents.

Respondent 2: *“You saw earlier on people who drove into the farm. These have come to learn how to grow tobacco. We offer all sorts of assistance, including basic inputs like tobacco seedlings, tractors but at a small fee”.*

**The weak agricultural research and extension effort in Zimbabwe had slowed the rate of relevant technology innovation to small scale farmers. This had provided limited technology to them.**

#### **4.2.2. Production (PRDN)**

*1) What choice do you have for the crops you grow on your farm? Please give examples. Where do you get advice from?*

Respondents had a wide choice of cash crops to select from. Although they received advice from AREX this was found to be shallow in information provided, for example:

Respondent 1: *“I get advice from my Farmers’ Association. There is also the Department of Agricultural Research and Extension who offer advice. But I find their curriculum is not covering the new areas like land reform and export crops. We need correct curriculum for agricultural training”.*

*2) How can land re-distribution be carried out so that all the people of this country benefit both economically and socially?*

Respondents (50%) saw this as a sensitive question and refused to comment. Those who commented said that land distribution was a good thing for black people who relied for survival on agricultural production and the jobless would have an opportunity to be gainfully employed on the land.

**The tragedy was that land reform was necessary in Zimbabwe. After independence, Britain forked out roughly US\$102 million to buy arable land and settle some 70 000 poor families. The recipients of the land were selected, at least in theory, according to their agricultural skills. But before long however, the process was corrupted. Donor support dried up when it was discovered that much of the land was being**



**given or sold for wood shavings to wealthy cronies of the ruling party. Land reform must not be used to gain political mileage.**

***3) Agricultural adjustment policies have led to environmental problems. Please comment.***

The statement was not agreed by 50% of respondents because they felt that they did implement conservation measures to protect the environment but agreed that their usage of chemicals was very high and at times careless. They were for the revamping of the old Natural Resources Board's lands inspectorate to police the misuse of the environment.

Respondent 1: *"Yes in terms of chemical usage, commercial farmers use more chemicals than any other farmers in the country. But, that's not through choice. It's through circumstances. You'll find there's a shortage of labour, which many people may be surprised at"*.

Respondent 2: *"I would like to admit here that I have no knowledge of what happens when the chemicals are washed into streams and rivers. But if the fish are not dying therefore there is no great harm that can come to human beings"*.

**The last response showed that there was a lot of ignorance among farmers on the environmental damage their farming activities were doing to the country's natural resources. A lot of education on the protection of the environment was required by both the government and donor/aid agencies.**

**There was substantial evidence of environmental degradation, including rapid deforestation and loss of soil fertility in Zimbabwe. But unfortunately the current SAPs were doing very little to reverse this situation. A lot of effort was being emphasised on promoting export crops to buy more foreign currency to pay off IMF and WB debts.**

**The revival of the Lands Inspectorate in Zimbabwe to police the proper use of the country's natural resources was imperative. Under the colonial regime, this government department was well respected because it did enforce natural resource regulations without fear or favour. Soon after independence all this came to zero**



**because the new government turned a blind eye to violations of the natural resource regulations in order to gain political votes.**

#### **4.2.3. Marketing (MKT)**

***1) How do you market your export and local agricultural commodities? What problems do you encounter?***

Analysis showed that 50% used commodity associations of their unions for advice on the marketing of their crops, for example, Horticulture Promotion Council for horticultural exports. The other half marketed their export crops via private companies which had bases and contracts overseas. All marketed their tobacco through the ZTA using the auction and contract growing systems. Respondents (all) showed that Zimbabwe produced good quality crops because of the high prices the crops were fetching.

**Large scale farmers had benefited more economically from export crops than the small scale farmers because they possess a much better infrastructure regime. They rarely depended on government when it came to choice of their agricultural operations. To them the sky was the limit as long as there was sufficient private sector involvement in agriculture.**

***2) How capable are you in meeting standards set by marketing organisations? What do you do to achieve these quality standards?***

In order to achieve the good quality standards set by the market respondents said the following:

- a. Experience is necessary to produce quality crops
- b. Irrigation is vital for maximum quality
- c. It is essential to use the recommended chemicals and packaging.
- d. Involving marketing organisations to monitor crop quality helped farmers to do well.



According to the respondents the draw-back to marketing these good quality crops was the tariffs imposed by EU and the US. IMF and WB must act against these double standards.

**For example, the market for cotton in Zimbabwe was not closed or dominated by a few companies, but access to markets in developed countries was subject to tariff and non-tariff barriers, including the very restrictive Multi Fibre Arrangement (MFA). By the mid-1980s SSA's exports of cotton consisted mostly of raw cotton lint. That is, it was not even spun into yarn; and African countries as a whole actually imported more yarn and fabrics than they exported.**

#### **4.2.4. Extension (EXTN)**

*1) How has lack or insufficient information from extension services impacted on your farming?*

All respondents believed that government extension workers were full of theory and not practical knowledge of farming. Respondents were depending on information and expertise from crop chemical and fertiliser companies.

Respondent 1: *“The current extension worker is a specialist in extension. Put him on a farm he will fail. We need practical people, for example, from crop chemicals and fertiliser companies, who have hands on experience in farming to provide us with agricultural information”*

Respondent 2: *“We don't get anything from these extension workers. They are actually coming to us to learn farming because we are more experienced than them. What I am saying here is that extension workers are full of theory they learned at agricultural colleges. Some of them come out of colleges without an idea on how to drive a tractor.”*

**There were similarities in the extension services shortfall between the respondent farming groups and therefore a similar approach/strategy should be used to resolve or improve the services. For example, most recent literature on agricultural extension convincingly argued that extension systems need to be even more responsive to farmers' needs rather than the government-managed systems now supported by the IMF and WB.**



#### **4.2.5. Loans (LNS)**

*How much do your operations rely on loans? Do you encounter any problems in paying back?*

Every farming season, all respondents said they relied on loans even though the interest rates were high and increasing on a regular basis. Borrowings were used to improve farming ability, for example, investing in irrigation systems, buying new and modern farming equipment. All faced repayments problems during droughts.

**Generally in Zimbabwe, the large scale farmers had not had any problems of getting loans from banks. They were able to use their land as collateral whereas the small scale farmers were not able to do so. Although large scale farmers had access to unlimited credit facilities, they too were being affected by the high interest rates being charged by banks due to high inflation being experienced in the country. SAP's imposed large costs on borrowing countries through losses of output and employment, by further impoverishing the developing nations, and through the politically destabilising effects of its policy stipulations. This in turn caused inflation to rise. In Zimbabwe the decline in economic activity and per capita income, the rise in poverty and human suffering, the acceleration of inflation and the accumulation of domestic and external payment arrears all of which gathered pace in the mid 1990s were associated with the IMF/WB SAPs.**

#### **4.2.6. Irrigation (IRR)**

*How do droughts and floods affect your agricultural production? Are you aware of what causes droughts or floods?*

All respondents had full irrigation on their farms and therefore had no problem with droughts. Planning farm operations including building dams was the key to beating droughts. Respondents said that there was minimal information available on irrigation amongst the majority of black farmers. Every respondent said due to lack of information they did not know what caused floods.



Respondent 1: *“I am not too sure what cause floods or droughts. Well, we basically, for our weather, we rely on the Meteorological Department. Otherwise we don’t have access to information”*.

**The majority of large scale irrigation schemes had been used to produce cash crops, for example, cotton, horticulture, tobacco, seed maize, sugar cane, coffee and tea. Very little had been used for food crops like maize because of poor producer prices offered for the crop by the state controlled GMB.**

### **4.3. Academic Interview Responses.**

The academic respondent interview was carried out in order to get a deep understanding of SAPs, especially their impact on Zimbabwe and the rest of Africa. This type of respondent was seen by the researcher as unbiased. In this section the answers are summarised and all points of importance are highlighted below the summarised answers. Detailed questions are found in Appendix 3.

#### **4.3.1. SAP (Structural Adjustment Programmes).**

##### ***1) What is your understanding of SAP?***

- SAP’s are economic recovery programmes initiated by the WB in conjunction with IMF.
- The objectives were to make SSA economies more efficient and adapt to new kind of economic systems.
- The idea was to do away with pouring money into the public sector and instead diverting it to the private sector.
- African governments who faced balance of payments problems went and sought out assistance from WB/IMF.

##### ***2) Are there common characteristics of successful and failed reformers that can enable us to understand better the political economy reform?***

- There are no success stories in Africa based on SAP. *“What we see in Ghana or any other country in Africa that has been deemed to be a success story of SAP is that the private sector gets all the funds and the public sector is denied the opportunity to expand. So you can find that there is untold misery among the poverty stricken people”*.



**Aid failed in Zambia and Zimbabwe, but in neighbouring Botswana it helped fuel a protracted economic boom. Botswana was at independence in 1966, one of the poorest countries on the continent. But shortly after independence prospectors found diamonds. Unlike Zambia and Zimbabwe governments, Botswana's did not squander the windfall. Diamond money was ploughed into infrastructure, education, agriculture and health.**

**3) *What are the causes of reform programmes?***

- Usually it is when government spends more than it is receiving in terms of revenue-creating balance of payment deficit.
- Money being spent on financing subsidies.
- Soon after their independence new governments in Africa did not have a master economic plan.

**4) *Explain how aid has encouraged, generated, influenced, supported or retarded reforms.***

- Aid has never been an instrument of development but is an instrument of retardation and short term relief measure.
- It has encouraged an aid dependency syndrome in many SSA countries.
- During the colonial era the developed countries repatriated a lot of natural resources from Africa without developing the continent.
- Africa is endowed with lots of natural resources and yet its people are very poor.

*“So the problem with aid is that it's a kind of a palliative where developed countries give some grants and some assistance to developing countries not because they want to develop that country but because it's a kind of conscience money. Ah, they feel guilty about the way they have plundered the economies of Africa, you know, economies and as a result aid doesn't aid anything at all”.*

*“Eh colonial masters send back to Europe lots of, of our resources, gold, diamonds, you name it. No African owns, you know, a mine for an example. We hear of de Beers Company in South Africa helping itself to South African natural resources”.*

**5) *What kind of agricultural technology is required for the future in SSA?***

- Intermediate technology will be adequate for the conditions in rural areas of SSA countries and Zimbabwe in particular.



- SSA governments should continue subsidising agricultural inputs in order to bring about food security.

**6) *Why are governments paying lip service to crucial and important services like agricultural research and extension?***

- SSA governments are not familiar and accustomed to research and extension, hence not a lot of financial resources are channelled in this direction.
- Governments should give this area higher priority and better agricultural results will be achieved.

**7) *What role should farmer organisations play in agricultural reform programmes?***

- What is lacking in Zimbabwe is good leadership with agricultural background especially with the small scale farmers.
- Farmer leadership and government should set aside time to have meetings on agriculture instead of meeting only at conferences, agricultural shows, and so forth.

**8) *Why is SSA so under-developed despite the great abundance of wealth underneath the continent's soil?***

- Most SSA leaders do not have an economic background and therefore tend to go back to former colonial masters for guidance. As a result they tend to create policies that are not in tune with the expectations of their people.
- Leaders are appointed for their political connections and not ability to lead or govern. *“So we are still suffering from mental colonisation and we think everything American is beautiful, everything African is bad”*
- Corruption is another problem. Most developing world leaders are in government to serve their interests not their constituents.

*“The future for Africa can be described as 50/50 chance. Eh, we now have eh certain regional economic organisations there is COMESA, there is ECOWASA, there is SADC. If those groups can be strengthened and if leaders can realise that the future of Africa belongs to Africa. But if we continue to look for help from the Western countries then there is no future”.*



**9) What is your experience with the removal of price controls on commodities?**

- Trade liberalisation is a policy designed to benefit developed countries.
- By privatising state industries SSA governments are encouraging companies from developed countries to buy shares into these industries. The end result is that these companies become financially powerful and are able to control the economy of a country.
- Trade liberalisation encourages the bringing of cheap goods into a country and this inevitably leads to closing down of local industry and increasing unemployment.

**10) What are the origins and causes of SAP in Zimbabwe?**

- Zimbabwe at one stage was functioning on borrowed money from WB and IMF. When they failed to pay back their loans, there was no alternative but to ask for assistance from Bretton Woods institutions. These two institutions then prescribed SAP as conditions for receiving financial assistance.

**11) What are your views to the statement that there is no alternative to SAP in Zimbabwe?**

- There are alternatives to SAP
- This has to do with the actual economy of the country. There is no ownership by the government. The natural resources are in the hands of foreigners. *“They belong to Anglo American, Lonrho, they own mines which belong to Zimbabwe. And the farming area at that time was owned by 4,000 whites”.*
- The distribution of farm land should have been done earlier in a fashionable way and not what has happened. It is a question of getting control of ownership of your country’s resources.
- SSA leaders have a tendency of wanting to be managers of their economies instead of being owners.

**12) What actions are needed to encourage greater private sector participation and investment?**



- Private investment does not bring any tangible benefits to the people. I am a believer in public investment.
- If managed well public investment in developing countries is the way forward. State enterprises should be commercialised and not privatised.
- The ideal is to have the private sector running side by side with the public sector.
- At independence the Zimbabwe government concentrated development in the urban areas and along the railway line at the expense of the rural areas.
- What is needed is financial resources to develop the rural areas and this will put Zimbabwe or indeed any other African country on the road to recovery and prosperity.

***13) Most of the criticism in the last twenty years has been in relation with the IMF/WB imposing structural adjustment policies as a condition for country to receive loans to fund development projects. What is your position on this?***

- The WB and IMF are there to make money.
- SSA governments go to IMF and WB for loans because they would have messed up their economies or they could be suffering from an economic recession.
- SSA governments mismanage their economies because their goals are misplaced, for example, spending money on projects that do not benefit the country. Building of huge airports instead of developing the infrastructure in the rural areas.

***14) What should the IMF/WB do to make their programmes popular and acceptable?***

- IMF/WB should have personnel checking the progress of all the projects they fund. This should not be left to the whims of the recipient governments; otherwise the funds might be channelled to non-essential and non-economic generating projects, for example, military hardware.
- During the Cold War, IMF/WB used to fund governments even if it was clear their economies were badly managed, for example, the case with General Mobutu of Zaire. Zaire received funding in order to remain pro-Western during this period because of its strategic position in Africa and a wealth of resources.



**15) The IMF Monetary Model is still being used since its inception over fifty years ago.**

**Why is it still useful?**

- This has been slightly modified to avert criticism. An element called Social Dimension Fund has been included to the Model.
- *“So they have created a certain Fund they call Social Dimension Fund to cushion off people who are in poverty stricken situation. But that Social Dimension Fund becomes, you know, it’s rendered useless given the impact of conditionalities”.*

**This was supported by the World Development Movement (May 2005) statement which noted that after years of protest and criticism the IMF and WB renamed their structural adjustment programmes to either Poverty Reduction Support Credits, or Enhanced Structural Adjustment Facility or Poverty Reduction and Growth Facility.**

**Despite these name changes the IMF/WB mechanisms had continued to operate in the same way as before, loans were given on the condition that certain policies were implemented by the recipient countries.**

**16) Zimbabwe one of SSA’s most highly developed formal economies, is having serious problems with its economy. Please explain the reasons that have led to this.**

- Zimbabwe’s demise started when the government abandoned the ESAP in the 1990’s. This made the IMF and WB to stop giving loans to the country.
- Secondly, Zimbabwe joined and intervened in the Democratic Republic of Congo war. This drained whatever foreign currency reserves there were in the Central Bank. *“It is the Congo War that brought about the economic collapse of Zimbabwe”.*
- All these created an inflationary situation which was out of proportion. The exchange rate widened against the major currencies. The government printed money in order to overcome this, but all was in vain.

**17) Why does not the government of Zimbabwe nationalise parastatals like the GMB?**

- GMB is a strategic concern overseeing food security. This is a noble idea for as long as it is not misused.



- Other players should be permitted to purchase grain from farmers so that there is competition which will result in better producer prices for farmers.

**18) What are the benefits and objectives of SAP?**

*“We covered this question throughout the course of this interview”.*

**19) The government of Zimbabwe released in February 1991 a document entitled “Zimbabwe: A Framework for Economic Reform 1991-1995.” What benefits or problems did this produce for the country?**

- The document was produced because the government wanted to show the world that it could do without the IMF and WB support.
- The document was a replica of the issues advocated by IMF/WB. There was nothing home grown about it.
- The document did not discuss who was to fund the Economic Reform. The Zimbabwe government had no funds to carryout such a venture.

**20) Please give a reform programme model suitable for developing countries.**

- An alternative economic framework model should be devised. One of the major ingredients must be selective import controls. *“We welcome products from abroad but those that we produce locally need to be protected. So there should be some kind of trade barrier.”*
- The model should emphasise the improvement of the rural areas.
- Funding should be via taxation and not rely on developed countries.
- Introduce a universal currency for Africa to compete with currencies like the US dollar, pound sterling and the Euro.

**4.4. IMF/WB Responses.**

Before the interview with the IMF and WB was carried out the respondent informed me that these two institutions were not active in Zimbabwe. The last SAP began in 1993 and closed in 1997.



*“I am sorry this can’t be more helpful, but we are greatly constrained in the case of Zimbabwe due to the lack of an active programme in the country. It is frustrating to us when such circumstances exist, largely due to actions or inactions of the government in question. We do our best to track things in such instances, but our ability to positively affect the development needs in these situations is almost non-existent. We remain hopeful that an opportunity will present itself whereby we can work with responsible authorities in Zimbabwe to improve conditions for those who live in desperate poverty there.”*

It will be noticed that during the interview the Africa Region Representative was not forthcoming with answers to some questions. He was evasive to say the least. Instead, for example, he referred the researcher to some websites for answers.

*“You can find a very recent OED (Operations Evaluation Department) review of our programmes in Zimbabwe on our websites.”*

The analysis of the interview is summarised and given below. See Appendix 3 for the detailed check questions.

***1) Why do the IMF/WB insist on using the same monetary model for each and every country that seeks financial assistance from them regardless whether the country is developed or developing?***

- The Bretton Woods institutions do not have models that fit this description because they do not have programmes in developed countries.
- Programmes in developing countries are individually negotiated with client governments and other stakeholders.
- There may be similarities in some cases; each programme differs to reflect the specific circumstances in that particular country.

The literature review has shown that the IMF/WB include the following in their model for adjustment programmes:

- Fiscal discipline
- Trade and financial liberalisation
- Stronger emphasis on market mechanisms
- Greater reliance on private investment



- New incentive and regulatory systems.

## **2) *Why do SAPs work in some SSA countries and not in others?***

- We have asked ourselves this question as a means of improving performance in our client countries.
- We listened to a number of outside sources and we believe that a review of more recent adjustment lending will indicate that we have accepted many of their recommendation going forward.

*“As with any development effort, it takes time before you can determine how effective your work has been. We have been significantly aided in recent years by improvement in the measurement of effectiveness in our work.”*

- Development aid tends to be more effective in situations where governments are being managed in transparent and efficient ways. Governments should be fully engaged and committed.

**For example, the Bretton Woods Project revealed that in 2000, an internal IMF/WB report had concluded that the poor were better off without structural adjustment. The report did not really look in detail at why the poor benefit less from adjustment. It speculated that they may be ill-placed to take advantage of new opportunities created by the current format of structural adjustment reforms. The report implied that the poor had neither the skills nor financial resources to benefit from high-technology jobs and cheaper imports.**

## **3) *In most of the reformed countries in SSA there is evidence that living standards are declining. Why?***

- The absolute number of people living in poverty globally has declined but in percentage terms living standards have in too many cases actually declined.
- Continued high birth rates and other statistical factors have contributed to this problem in Africa.



- Improving healthcare and expanding educational opportunities, especially for women, have a positive effect in reducing birth rates and improving economic efficiencies.
- Reduction in birth rates allows for increases in GNP, and other investments in social development will pay dividends for economic growth and productivity in the future.

**The IMF/WB in their response were silent on the impact of their reform programmes on the decline of living standards in SSA. They imposed their structural adjustment policy to ensure debt repayment in such a way that social spending must be cut back. In effect, the IMF/WB demanded that SSA nations lower the standard of living of their population. A lot of the poverty witnessed in SSA was related to the way the global markets and trading practices were structured and how they had been shaped in previous years.**

**One of the many things that powerful nations (through the IMF/WB) prescribed was that the developing nations should open up to allow more imports in and export more of their commodities. However, this was precisely what contributed to poverty and dependency.**

***4) What is the envisaged role of the communal/resettled farmer within the SAP as regards to the agricultural production and marketing strategies in Zimbabwe?***

The IMF and WB's response to this question was "*see initial comments*". These are comments made in the opening paragraph of this section.

***5) How does the IMF/WB envisage helping Zimbabwe to overcome trade tariffs imposed by developed nations?***

Again the IMF/WB refused to comment directly on Zimbabwe but preferred to give a global view.



- IMF/WB have strongly urged developed countries to reduce the tariff and non-tariff barriers to trade that restrict the ability of developing countries to be full participants in the global economy.
- *“Subsidies in Europe, the US and Japan dwarf the amount of development assistance from these countries, and prevent a level playing field for developing countries.”*

**Trade was one of the most powerful forces linking our lives. It was also a source of untold wealth. But millions of the world’s poorest people were being left behind. World trade had the potential to act as a powerful motor for reduction of poverty, as well as for economic growth. The problem was not that international trade was inherently opposed to the needs and interests of the poor, but that the rules that govern it were tilted in favour of the rich.**

***6) Substances and chemicals used mainly by developed countries are depleting the ozone layer resulting in global warming. What is the IMF/WB doing about this?***

- Over the past fifteen years the IMF/WB have moved from a position of not considering the environment to be their concern to making the environment a control development challenge.
- IMF/WB fully endorse the targets of the Millennium Development Goals.

***7) Please explain what has gone wrong with SAP in SSA countries?***

- Not all structural adjustment programmes in SSA have been problematic.

The IMF/WB did not want to explain this statement further.

All the respondent said was:

*“Analyses of most of our programmes in recent years can be found at the OED site, where most audits become available soon after they are completed.”*

**An inspection of these audits had revealed that all was not well with SAP in SSA. It had been argued that it was difficult to form a definitive judgement on the efficiency of IMF/WB programmes in SSA because of variations among countries. Between 1980 and 1987 twenty-seven loans were made in Africa and adjustment failed to**



reach its target, that is, an export-led recovery, notably through the reduction of inflation seen as money supply problem, and the improvement of the balance of payment. SSA's growth of real per capita GDP fell from 3.2% during 1965-73, to 0.1% during 1978-80 to negative 2.2% in the period 1980-89.

For SSA countries, the debt problem was still very serious. The nations owed US\$106 billion in 1980 and US\$543 billion in 1997. In 1997, the debt represented 15-20% of their export revenues. All this served to confirm that the SAP were not giving anything positive. Hence the need to re-adjust them.

**8) Why is growth almost stagnating in SSA despite countries participating in SAP?**

*"I believe, I have addressed the question of effectiveness above"*

Growth must take place in activities in which the poor participated. Therefore, there was the need for adjustment efforts to give deliberate attention to the sources of growth. To give the poor better job opportunities, governments in SSA needed to adopt policies and investment programmes that encouraged expansion in agriculture, labour-intensive exports and the informal economy, which were main sources of jobs for the poor.

**9) Why does not IMF/WB encourage investment in irrigation in SSA?**

The IMF/WB respondent did not answer directly to the question but instead offered this response: *"I would refer you to our website, and our agricultural specialist to address any specific questions in this regard."*

The IMF/WB were very aware that SSA has limited irrigation (Cleaver, 1996). Irrigation projects in SSA had failed because they had tended to be extremely expensive by world standards. As mentioned under the small scale farmer responses, farmers were treated as beneficiaries rather than participants. Therefore they did not participate financially in operation and maintenance.



**10) How can we justify a poor country giving more money each year to wealthy bankers (IMF/WB) than it spends educating its children or healing its sick?**

- IMF/WB were leaders in developing programmes to reduce debt burdens.
- Poor countries need to know that debt relief by itself achieves no lasting development objective. *“These countries need assistance in re-channelling the saved financial resources into programmes that benefit the poor in their countries – in the areas you mention – and these countries also require additional resources, increasingly provided on a grant basis, to meet the ongoing development needs of their countries.”*
- Repayments of loans do not enrich the member countries of IMF/WB.
- The resources belong to the member governments that belong to IMF/WB.

**The IMF/WB were very silent on why there were conditions given when developing countries borrow funds from these two institutions. Conditions which forced developing countries to abandon their social obligations to their people by moving funds meant for agriculture, education and health development to paying off loans and interest accrued.**

**11) Why is it that countries with good policies receive less assistance than countries with poor or mediocre policies?**

- IDA assistance rewards good performance, relative to allocations to other IDA countries.

**This question was asked in relationship to the funding by IMF/WB to countries like Zaire who were known to be failed reformers. But because the country had strategic importance to the US it was funded regardless. While good reformers like Ghana and Uganda did not get full support. In Kenya the IMF/WB provided aid to support identical agricultural policy reforms five separate times. Each time reforms were either not implemented or later reversed. Yet all adjustment loans were disbursed.**

*The Economist (1995) describes the example of Kenya: “Over the past few years Kenya performed a curious mating ritual with its aid donors. The steps are: (1) Kenya wins its yearly pledges of foreign aid. (2) The government begins to misbehave, backtracking on*



*economic reform and behaving in an authoritarian manner. (3) A new meeting of donor countries looms with exasperated foreign government preparing their sharp rebukes. (4) Kenya pulls a placatory rabbit out of the hat. (5)The donors are mollified and the aid is pledged. The whole dance then starts again.”*

**12) Aid cannot buy reform. What are your comments?**

- IMF/WB agreed with this comment.
- This is a pact of mutual responsibility – developing countries deserve and depend upon increasing levels of support from donors.
- Conference upon conference talk about this but regrettably, donor assistance has failed to match the rhetoric of these conferences.

**Sound management that produced macroeconomic stability, openness, rule of law, and absence of corruption led to growth and poverty reduction. It also created the right environment for aid to reduce poverty. There was a long legacy of failed adjustment lending where there was no strong domestic constituency for reform. Aid could not take the lead in promoting reform if there was little local movement in that direction.**

**The role of agencies such as the IMF and WB was not to arm-twist governments to do what they were reluctant to do. Instead, the role of international institutions should be to disseminate information that might influence public dialogue about policy reform. Donors must be able to learn to read the signals about whether governments were serious or not.**

**13) Why do IMF/WB use expatriate technical assistance in developing African capacity to manage agriculture instead of home grown expertise?**

- Strongly support such efforts.

**An aspect of the IMF/WB relationship with member countries had been the provision of technical assistance to help in their economic and financial management. Although it was a good thing to have expatriates working in the**



developing countries, it should be made a condition that they trained the locals to take over from them. A time table should be set for this. There was a tendency for expatriates to overstay their welcome. Many expatriates saw themselves to be on a full paid for holiday in Africa. There were embarrassingly seen visiting tourist attractions and dining out at the slightest excuse.

***14) What are the objectives for agricultural reform in SSA as envisaged by IMF/WB?***

- IMF/WB have information on this subject available on their website and public information centres.

This is another example of IMF/WB refusal to give straight forward answers to questions on their operations, objectives, policies and achievements.

***15) What are IMF/WB views on political-economic variables such as length of tenure of the government and whether the leader was democratically elected?***

- IMF/WB believe that good governance and respect for human and civil rights tend to use development assistance more efficiently with better results.

Effective governance involved such diverse elements as publicly accountable institutions for formulating and executing the budget, efficient tax administration and public expenditure management, prudent banking supervision, a transparent foreign trade and exchange regime and a fair and transparent legal and regulatory framework. But translating them into concrete policies and priorities had been a big problem with SSA governments.

The problem with Africa was simply and squarely a failure of leadership. The problem was the unwillingness or inability of its leaders to rise to the responsibility, to the challenge of personal example which was the hallmarks of true leadership.

Researchers had pointed to good economic policies as a key pre-condition for successful assistance. Many failed reforming countries had been linked to undemocratically elected governments, long tenure of the government under



**autocratic civilian leaders with no opposition parties. Zimbabwe was a good example of this. Such governments had been linked to interventionist economic policies, in some cases under the banners of socialism or Marxism.**

***16) Do donors tailor their assistance to different types of countries and to different phases in the reform process, or just provide undifferentiated assistance?***

- Donors provide assistance from their own perspectives. This makes a strong argument for the durable value of multilateral assistance, where more consistent, co-ordinated approaches can be realised.
- IMF/WB support the Comprehensive Development Framework, through which efficiencies can be realised by better co-ordination among donors.

**Literature review had shown that donors did not discriminate effectively among different countries and different phases of the reform process. They tended to provide the same package of assistance everywhere and at all times.**

#### **4.5. Agricultural Companies Responses.**

This section is going to analyse the responses from two agricultural companies. These were (i) a marketer of cotton who also offered agricultural input credit schemes to farmers (mainly small scale) but in practice this was a form of contract farming because all farmers participating in the scheme had to market all their cotton via this company; (ii) an agricultural bank wholly controlled by the Zimbabwe government. The questions centred on how they related to trade barriers, reforms, credit schemes and environment. A list of check questions is available in Appendix 3.

***1) What are the views of your organisation as regards IMF/WB's facilitation of the expansion and balanced growth of international trade?***

All respondents were not happy with the trade barriers imposed by developed countries and believed that the IMF/WB were employing double standards when it came to international trade. The cotton marketer had been on the international trade since 1969 as the company exported 70% of their cotton.



Respondent: *“We (Zimbabwe) certainly would be able to supply beef in larger quantities than the EU quota that we have been allocated. We certainly much more able to supply for resources say in the milk and milk product range; in the pork product range, in larger quantities than tariffs would allow.”*

**Good international trade rules could create an enabling environment for poverty reduction. But there was no automatic guarantee that increased trade will reduce poverty, but that, managed wisely, trade could help to lift millions of people out of poverty, creating new opportunities for broad-based economic growth.**

***2) Give benefits, if any, of privatisation of agricultural marketing?***

All respondents confirmed that there were advantages and benefits especially the removal of government bureaucracy and the introduction of competition. A summary of major benefits given by the respondents were as follows:

- i. Forces of supply and demand will shape the business.
- ii. No price controls that affect business viability.
- iii. Business will be conducted to make profit.
- iv. Supply and demand forces will dictate what to produce.

**In virtually all the cases considered in Zimbabwe, farmers, traders and transporters had benefited from the reforms. Small scale farmers located in accessible areas had benefited from the de-regulation of prices that accompanied reforms. By contrast, farmers located in remote areas had tended to see their incomes and food security threatened due to the lack of efficient input and output marketing services, raising prices of fertilisers and other essential inputs, as well as the supply of credit increasingly restricted. It should be noted that agricultural market liberalisation had been an important part of SAPs in developing countries.**

***3) It is noted that globalisation of market forces vigorously promoted by the IMF/WB creates greater inequality. What are your experiences?***

Respondents showed that globalisation of market forces ended up benefiting the largest/strongest farming economies and smaller ones suffered due to lack of resources to



compete favourably. All believed that globalisation of market forces was alright but it was trade barriers employed by developed countries which were creating negative effects to the small farmers. Statutory organisations like Zimbabwe's Zimtrade should be promoting trade for all sectors in the country.

**Agricultural trade could realise its full potential only if rich and poor countries alike took action to redistribute opportunities in favour of the poor. Inequalities were a formidable barrier to making markets work for poor people. In many countries, extensive corruption and excessive bureaucracy act as a tax on trade and the tax fell most heavily on the poor.**

*4). Farmers' incomes have not improved as a result of reforms especially with the removal of subsidies. Please comment.*

In the cotton industry 50% of respondents said income to cotton growers had improved. The other half did not agree, saying that margins had been low due to high cost of production and inflation.

**Both large and small scale farmers all agreed that reforms had improved the producer prices for many agricultural products. But the benefits earned had been affected by the high cost of agricultural inputs. In Zimbabwe most of the agricultural inputs and raw materials for some of the inputs (crop chemicals and fertilisers) were imported. This had been caused by foreign currency shortages, runaway exchange rate and inflation. Unfortunately agricultural companies had no control over the price of inputs. This required both IMF/WB and Zimbabwe government to work out reform programmes which would benefit farmers by making them realise profitable margins.**

*5) What is the impact of agricultural parastatal reforms on the delivery of functions such as marketing, processing, and production of certain commodities, research, extension and credit?*



All respondents said that the parastatals that have been privatised were doing well but those that were not were yielding negative results.

Respondent: *“Look at the two parastatals that the government is controlling. There is some kind of monopoly in there, that’s CSC and GMB. They are unable to breathe. They are not doing no, no that’s an understatement they are dead, comatose”.*

Cottco of Zimbabwe was a good example of successful privatisation programmes, respondents said. The company was performing very profitably. It has managed to create strong cotton extension and research departments. This would not have happened if it was still quasi-government. This was a case where a company was ploughing back its profits to farmers in order to improve its profit base. GMB would not achieve this for as long as it was under the arm of government.

**In some cases privatisation could effectively take away the capacity of the public sector to do agricultural research. For example, drought-tolerant varieties of staple crops such as beans or maize rarely interested transnational companies which prefer to develop high-value crops. But the small-scale farmers could not afford to grow such crops. So a word of caution here, if everything was left to the private sector, the market would fail to deliver the food that was needed by hungry people.**

***6) What is the type of competition your organisation has faced since the start of reform programmes in Zimbabwe?***

The cotton marketer showed that they faced both local and international competition. They maintained a strategic advantage by providing good quality service to both their farmers who produce cotton and their lint clients. Some competitors had come into the cotton industry for selfish reasons, for example, coming to purchase seed cotton without investing in the production of the crop. The other respondent was a government controlled institution and found it difficult to compete favourably because of interference. For example, being instructed by government to use loan funds on production of crops which have a low income return, maize being an example. Farmers fail to pay back loans, which at the end affected the lending institution’s competitive edge.



***7) Where and how do you market the commodities you purchase or sell to farmers?***

***How do you overcome trade barriers?***

The lending institute provided finance only to the Zimbabwean farmers of all sectors. Vetting of borrowers was done before finance was offered. As indicated earlier over 70% of the cotton lint processed from seed cotton purchased was exported by the cotton company. Trade barriers were not a hurdle because the marketer exported high quality lint which was sort after worldwide.

**It was impossible for Zimbabwe to tackle the issue of trade barriers on its own. This required the help of IMF/WB and the developed nations. The existing trade system was obviously indefensible. No civilised community should be willing to tolerate the extremes of prosperity and poverty that were generated by current trade barriers.**

**The international trading system was not a force of nature. It was a system of exchange, managed by rules and institutions that reflect political choices. A new model of inclusive globalisation, based on shared values and principles of social justice, should be sought.**

***8) What is your company doing in order to maintain soil fertility and prevent land degradation?***

All said their organisations, through their agronomy and extension departments, taught farmers good farming practices. But these efforts were being hampered by government failure to prosecute farmers who were farming in areas not designated for cultivation, for example, river banks and dam catchment areas. This they said was causing soil erosion which was depleting soil nutrients and causing siltation of rivers and dams.

**It was encouraging to learn from the respondents that they were making efforts to arrest the environmental degradation that was caused by poor and bad agricultural practices. If agricultural production was to go a long way in Zimbabwe more funds and technical expertise was required. Central government must take a lead by making sure that all legislation governing the protection of the environment was enforced vigorously.**



Reading through the literature the following information was found:

*“Companies like US owned Cargill – the largest privately owned company in the world – are financing farmers to destroy huge swathes of the Amazon rainforest to plant soya”*  
(Source: Green Peace Bulletin, October, 2004:1)

**This type of information did not auger well for the environment protection and sows seeds of mistrust as regards transnational companies’ activities in developing countries. Cargill were currently operating in Zimbabwe in the cotton and maize production. They had tried to introduce genetically modified cotton and maize in the country but this was turned down by the government.**

***9) What criteria do you use to give loans to farmers?***

Good farming practices and profitable operations were used by the cotton company as a good indicator of a good farmer. All farmers given loans were monitored via extension services offered by the company. Monitoring is carried out throughout the farming season. This also made loan recoveries easier to monitor. Respondents did not require collateral but asked farmers to sign up to contract growing of crops.

**Many companies who provided agricultural credit schemes in Zimbabwe used farming performance as a criterion for giving loans. The more successful the farmer was the bigger the credit he got. Successful farmers had proved to be reliable when it came to honouring loan conditions. During the first phase interviews farmers did indicate that Cottco was reducing its credit scheme volumes because of defaulters.**

**Many companies were engaging in contract farming as a form of providing credit. But this was not popular with farmers because the producer price paid was determined at the beginning of the farming season and does not appreciate during the course of the season as farmers would like to see happening. Once the farmers have had their loan applications turned down by the likes of Cottco and Agribank they had no choice but to engage in contract farming.**

***10) Do you get IMF/WB funding for your input credit schemes?***



All respondents did not get any funding from the IMF/WB institutions, the cotton marketer used its own resources and the lending institution used public sector budgetary allocations. This resulted in the institution being instructed to give out loans on a political basis without looking at the capability of the recipient to farm or not. Lots of funds were lost in this manner.

**It will be appropriate if IMF/WB financed agricultural credit projects were channelled via private sector farming and marketing organisations. Parastatal agricultural credit institutions, like Agribank in Zimbabwe, have not been successful and helpful in SSA. This was mainly due to government interference.**

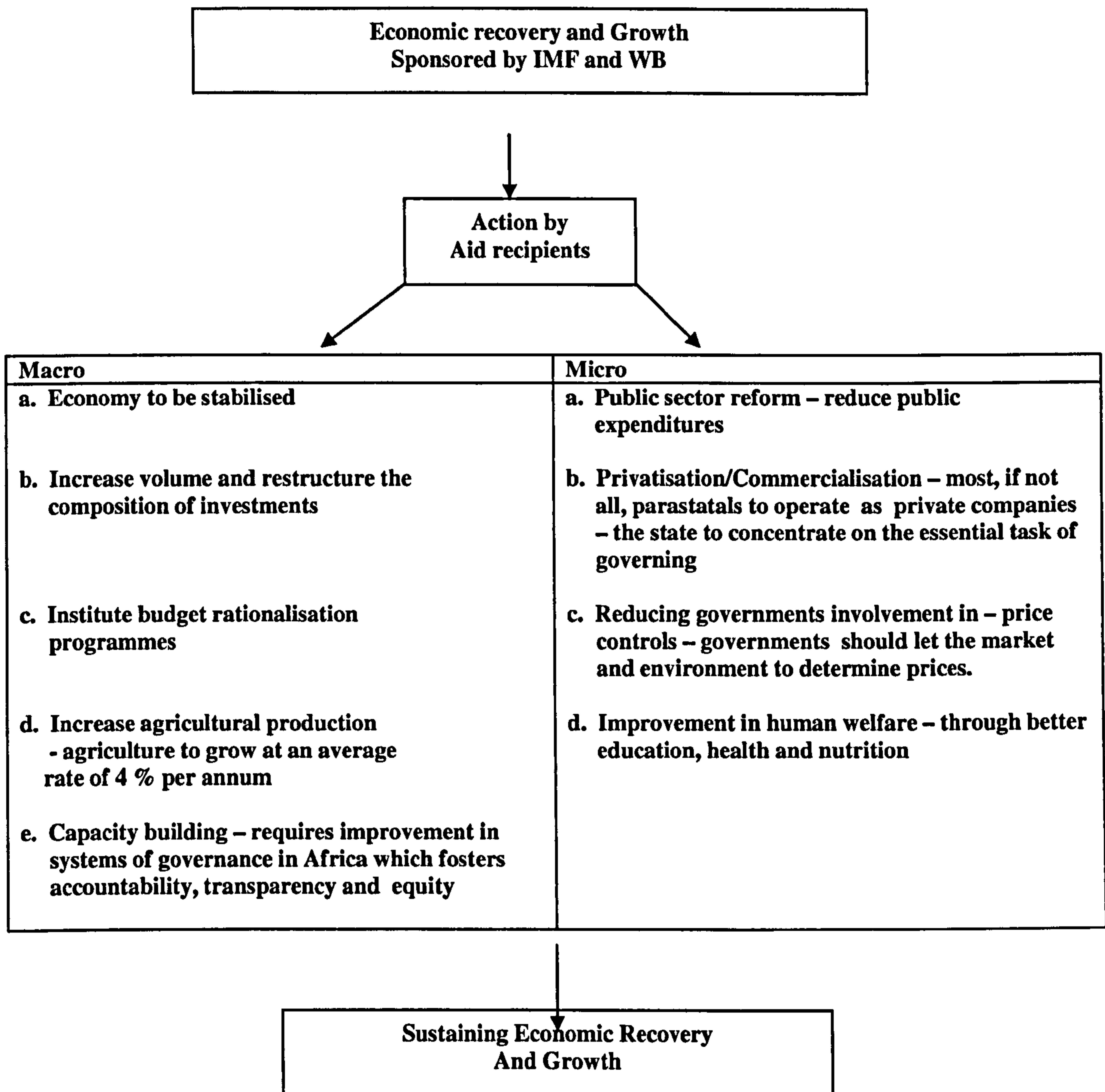
**Zimbabwe should look at establishing farmer-owned cooperative credit institutions. These used to be functioning during the colonial era and were successful but were abandoned by the current government for no apparent reason. These would be able to get direct funding from IMF/WB and donors, minimizing government involvement. The Benin Rural Savings and loan Rehabilitation Project now under way was a good example. According to Cleaver (1996), the project supported cooperative credit institutions owned and managed by subscribers from Benin's rural areas, and were autonomous from government. Other good examples were Rwanda's Banques Populaires, Ghana's Rural Banks, Burundi's Cooperative Credit Banks and Cameroon's Credit Societies.**

#### **4.6. Conclusion of the First Phase Fieldwork.**

This last section presented the analysis of the first fieldwork interviews where the small scale farmers, agricultural companies, the IMF/WB and an academic were interviewed. The next section of this chapter analyses the work of the second fieldwork. As a result of the literature review and first fieldwork analysis the following model "The Alpha Model", Figure 4.1, is presented as the model being used by both the IMF and WB to Zimbabwe and SSA countries.



**Figure 4.1 A Recovery Model (Alpha) Used By Sub-Sahara African Countries**



- adjustment processes should be initiated as soon as disequilibria in the economy begin.
- the adjustment package should be comprehensive, internally consistent and sound
- it should be possible to implement the program, that is to say, it should be consistent with the ability of the country's institutions to implement the package
- the program must be effectively explained to the public to develop and encourage support



## **4.7. Introduction to Second Phase Fieldwork Analysis**

This section of Chapter 4 discusses the rationale of doing the second phase fieldwork. The structure of the questions, the interview schedule and data analysis are also presented. Please note that section 4.7.1 below is part of the methodology and should therefore be included in Chapter 3, but in order to have a smooth flow and clarity's sake it has been included here.

### **4.7.1 Rationale of Second Phase Fieldwork**

The two stage interview analysis approach was decided upon in order to be certain that the findings and results derived from the first phase interviews are either confirmed or not during this second phase fieldwork. Any gaps emerging from the first phase would be filled or covered in the second phase. This will also be used to confirm reliability, validity and rigour of the research process employed in this study. Patton (2002) states that where the analyst, those studied and reviewers agree, one has consensual validation of the substantive significance of the findings. The questions therefore for the second stage interviews were designed to oversee these issues.

On the basis of the analysis of the first fieldwork the study would propose a more effective Zimbabwean-specific model for use in agricultural reform operations and by extension of relevance to other SSA countries operating and experiencing similar agricultural economies.

As it emerged there were little differences from the first and second phases, for example:

- a) In both cases the farmers were left out of the initial design and negotiations of the structural adjustment reforms.
- b) The supply and delivery of agricultural inputs was chaotic.
- c) The shortage of foreign currency exacerbating the availability of petrol and diesel fuels, fertilisers and pesticides was highlighted in the two fieldwork phases.
- d) All farmers in the two phases experienced bad state of roads and shortage of transport to ferry their crops to markets.
- e) Environmental issues were taking a back seat in all areas.



- f) Lack of or reduced agricultural extension and research effort was evidence throughout the two fieldwork areas.
- g) Bad governance was mentioned in both cases.
- h) Government showed lack of full commitment to reform programmes.
- i) Donor coordination position and approach not evident.
- j) Producer price of maize not conducive to the promotion and increase of food reserves.

The other reason for carrying out the second set of interviews was to make sure that there was no knowledge or information that is missed.

The analysis and discussion of the first phase results, findings and gaps provided the main thrust of the thesis. The results and findings of the second stage fieldwork is provided in summary form to minimize repetition, that is, new issues and ideas emerging from the analysis will be highlighted. Patton (2002) states that later stages of fieldwork bring closure by moving toward confirmatory data collection; deepening insights into and confirming (or disconfirming) patterns that seem to have appeared.

The respondents for this phase were selected from the same area as was done for the first fieldwork (see figure 3.3). The reasons for doing this were similar as elucidated for the first interviews and also to maintain uniformity, continuity and provide triangulation. Haulage vehicle owners (transporters) were included in this phase because it was deemed necessary to interview them as regards the movement of agricultural inputs to farmers and the transporting of farm produce to markets. During the first phase interviews it was highlighted especially by small scale farmers that the cost of moving inputs and produce had become very prohibitive and that there was in general shortage of haulage vehicles. Transporters were asked to confirm this and explain why this type of scenario had manifested. Transport is an integral part of farming in Zimbabwe and without it production levels will definitely tumble.



The respondents for the second phase of the investigations as agreed with the research study supervisor were broken down into the following categories:

**Table 4.4 Second Phase Categories**

Category	Number of Respondents
Small Scale Farmers (included communal and resettlement farmers)	16
Large Scale Farmers	5
Agricultural Companies	10
Transporters	4

The second gatekeeper for this set of interviews was briefed in detail about the selection criteria (see Chapter 3) at the end of the initial fieldwork. Another briefing to tie up any loose ends was done telephonically in March 2005. Again the month of April was selected for the interviews for the same reasons as the first fieldwork.

#### **4.8 Structure of Questions.**

From the analysis of the first stage fieldwork emerged the list of check questions used in this second part of the fieldwork. The full list of the check questions used is found in Appendix 8.

##### **4.8.1 Outline of issues included in the Agricultural Companies Questions**

- Value addition
- Collateral and small scale farmers
- Agricultural growth
- Land distribution and reform programme
- Distribution and availability of inputs (including costs)
- Marketing and number of marketers
- Agricultural marketing monopolies
- Research and extension services
- Contract farming
- Trade barriers



- Role of agricultural companies in SAP
- Production of cash crops versus food crops
- Environmental issues
- Infrastructure problems

#### **4.8.2 Outline of issues included in the Large Scale Farmers Questions**

- Understanding of trade liberalisation
- Training and coaching of small scale farmers
- Agricultural colleges syllabi
- Shift from food crops to non-food cash crops
- Infrastructure problems in rural small scale areas
- Land reform programme
- Usefulness of IMF/WB and donor programmes
- Agricultural research and extension services
- Pest and disease maintenance
- Marketing of agricultural produce
- Trade barriers
- Foreign currency usage and availability
- Climatic issues

#### **4.8.3 Outline of issues included in the Small Scale Farmers Questions**

- Infrastructure in disarray
- Purchasing crops at farm gate in order to alleviate farmers' transport blues
- Role played by farmers in maintenance of roads
- Environmental protection
- Farmers' participation and involvement in ESAP
- Farmers' knowledge of donor and aid community
- Impact of SAP
- Extension services
- Farmers' expertise in cash crops and livestock
- Marketing of crops



#### **4.8.4 Outline of issues included in the Transporters' Questions**

- Infrastructure and maintenance
- Delays and availability of transport
- Vehicle spares, fuel and foreign currency availability
- Movement of farmers' input items and farm produce

#### **4.9 Data Analysis of Second Fieldwork**

The strategy as described at the beginning of this chapter for the First Field Work analysis was used for the second stage interviews. The content analysis method was used. The only difference was that the sample size for each group was increased. This was done in order to lower the likely error in generalising to the population (Saunders et al, 2003). Bryman and Bell (2007) state that the larger the sample size the greater the precision because the amount of sampling error will be less. This also provided for triangulation. Patton (2002) confirms that triangulation strengthens a study by increasing or combining the number of case studies.

All interviews for this sector were transcribed. Transcription was done from May to October 2005. An example of a transcript is shown in Appendix 5.

#### **4.10. Research Findings: Agricultural Companies**

On average each interview for this group lasted one hour. There were no problems encountered during and after interviews. The questions and responses are summarised in the following report of the analysis. Comments and recommendations from the researcher are also provided at the end of each set of response from the participants. An example of content analysis carried out in the research is shown Appendix 6.

##### **4.10.1 Marketing**

###### ***1) Why is there a lack of value addition to agricultural produce, in Zimbabwe?***

Traditionally, African countries were agriculturally based rather than manufacturing and therefore it was profitable to export raw materials than value adding. Analysis showed that 30% said that the addition of value was dictated by the market and that Zimbabwe



did not add value. Lack of capital investment prevented 40% of respondents from adding value. Respondents (10%) said that there was no infrastructure available to carry out value addition in the country and the rest of SSA.

**Foreign exchange shortage in Zimbabwe was probably the most serious problem which confronted the country. This had bred and fed other problems like lack of investors, unemployment, debt crisis and fiscal deficits. All these things had made value addition a difficult thing and had forced the country to export raw materials in search of foreign exchange.**

***2) What was the impact of the proliferation of marketers and crop buyers when agriculture was liberalised?***

Respondents (50%) benefited a lot from the opening up or liberalisation of agricultural markets. Another 10% believed that producer prices had not improved substantially in order to match with runaway inflation and unstable and unrealistic exchange rate. They also said that liberalisation brought with it the smuggling of cheap, expired and unregistered chemicals into the country. The increased number of crop buyers had encouraged farmers not to make efforts to produce quality crops because farmers were being paid the same price for both top and low grade crops. This resulted in quality of crops in Zimbabwe going down and forcing international buyers to look elsewhere for better crops.

**Like any other change in policy, the agricultural liberalisation reforms were bound to generate losers and winners. Policy-makers should have, however, understood the direction and the magnitude of their policy's impact. A monitoring and evaluation system ought to have been in place to gauge both progress achieved as well as the losses sustained, and whether the gains made by the winners and the society at large justify pursuing the reforms.**

***3) Does contract farming inhibit producers from getting a better and higher price?***



The analysis showed that 20% of respondents believed that contract farming was a result of crop input shortages in the country. Respondents said that contract farming was now the trend worldwide and should be encouraged. Because under contract farming a lot of farmers had produced better crops, for example, yields in cotton had grown two and half times. Respondents mentioned that farmers should be encouraged to honour contracts, for example:

Respondent: *“Most companies doing contract farming are professionals and do deals on a long term basis for the benefit of both farmer and company”*

Analysis showed that 20% of respondents confirmed that prices offered in contract farming were less than on the open market. Because of this farmers have become unreasonable by demanding to get maximum benefits from contract farming. As a result many companies were pulling out of contract farming leaving farmers with nowhere to get farm inputs.

**Contract farming as indicated above helped farmers to get much needed crop inputs in an environment where the smallholder has no collateral to offer. It was the end product of the contract (that is, the final price paid to the farmer) that was threatening the existence of contract farming in Zimbabwe. What was needed was a contract that will take the escalating costs of inputs into consideration. Farmers should be compensated and not exploited via higher producer prices for any increase in input costs during the course of the growing season. Contract farming helped to build the financial capacity of the farmer. But farmers should not be on contract farming permanently. They should, after a few years, be able to stand on their own. This helps the farmers to negotiate better producer prices when they were not bound by contracts.**

#### **4.10.2 Loans**

***1) What is your company doing in order to provide credit without collateral?***



The issue of no title deeds was a big problem in the rural areas, 20% of respondents stated. This problem (lack of collateral) has been overcome by 40% of respondents by involving small holder farmers into contract farming. But 10% of respondents said they were trying to find a model that took into account creditworthiness of the farmer as collateral.

Respondent 1: *“The market needs their produce. Because of this we have recently gone into contract farming. We provide assistance from land preparation to harvesting in our contract”*.

Respondent 2: *“Our collateral is honesty. Our credit schemes have been running since 1992 and the recovery rate is 95%. It is a question of trust”*.

Some companies did not have sufficient funds to offer credit to farmers and therefore collateral was not an issue.

Respondent 3: *“As a company, there is nothing we are doing as regards collateral. We are not in business to lend money or offer inputs on credit. We offer competitive prices on our crop inputs and give a 25% discount for cash”*.

Respondents mentioned that politics in Africa dictate that there should be no title to communal lands so that governments could control the rural vote. Small scale farmers were difficult lot to help because they did not honour contracts, collateral will always be demanded.

Respondent 4: *“Our analysis has revealed that due to lack of funds many smallholder farmers don't buy the recommended amounts of agro-chemicals and fertilisers”*.

#### **4.10.3 Land Reform**

*Formulate plans for a fair and sustainable land reform programme.*

There was poor planning with Zimbabwe's land redistribution programme and this resulted in the loss of farming expertise, 70% of respondents showed, for example:

Respondent 1: *“Land redistribution should not be used to remove the original farmers but to use them to train incoming farmers. This way production is maintained and increased”*.



It was the view of 20% of the respondents that in Zimbabwe there was more politics than economic objectives in the land reform programmes. This was because beneficiaries of the programme were not skilled farmers but ruling party loyalists. Land redistribution should have targeted under-utilised land. Then people with farming expertise and experience to be funded, supported and settled on these farms. A small number of respondents believed that land reform was necessary but small farmers should have been settled on say 5-10 hectares each initially. Then those that proved to be good farmers would then graduate into larger units until they were able to go to large scale farms.

Respondent: *“Unfortunately we see farmers on thirty hectares of land only utilising 50% of that because of the haphazard way the land reform was done by government. We would have trained farmers in the proper use of the land. We would have advocated the use of AREX to train and vet farmers into bigger farms”.*

**The Zimbabwe government’s land reform programme should have started first with the potentially productive land lying uncultivated in the hands of big landowners. Next, the programme should have been carried out with compensation for the landowners. This would have encouraged the landowners to help train the smallholder farmers into proper and efficient farmers. In turn this would have made the agrarian reform into a tool that provided for the increased food production required to meet basic needs of all and sundry.**

#### **4.10.4 Economic Growth**

*Why did the agricultural industry not respond positively and take advantage of the 28% per annum economic growth reached two years after independence?*

The analysis showed that 10% of respondents observed that the 28% economic growth was due to Zimbabwe emerging from the UDI sanctions period of 1965-1979 (real growth for a country doing well was 3-5% per annum). Other respondents (30%) attributed this growth to a steady agricultural production which was supported by an increase in fertiliser usage. But this did not last due to poor government planning and policy implementation, for example, giving low priority in funding agricultural projects. There was poor knowledge and lack of experience on the part of government.



Government was always threatening to nationalise industry and this scared away investors in the late 1980s.

**The 1991-1992 devastating drought, shortage of foreign currency and competition from the Far East (imports of cheap goods) were mentioned as slowing growth. The land reform which was not planned and implemented properly caused this rapid economic decline.**

**During the UDI period, Rhodesia managed to maintain a positive trade balance, in part through very stringent import controls. The relaxation of these controls by the Zimbabwe government in the early 1980s quickly led to a trade deficit which was made worse by the poor performance of exports. The desire by the government to follow a socialist route and the promotion of a one-party state discouraged many investors.**

#### **4.10.5 Structural Adjustment**

***What role should agricultural companies play in IMF/WB sponsored programmes?***

**The majority of respondents (70%) showed that all stakeholders in the agricultural industry must have representation on reform and development issues.**

***Respondent: "Yes we should contribute in these debates. We would offer our experience. Especially in the areas of infrastructure of building dams and setting up of irrigation facilities".***

**According to 20% of the respondents the IMF/WB should reform the WTO in order that there was fair trading.**

***Respondent: "The irony of all this is that the IMF/WB and similar organisations give funds to promote and improve agricultural production but African countries find it difficult to export crops because of barriers".***

#### **4.10.6 Agricultural Extension**

***Comment on current extension strategies in Zimbabwe.***



The analysis showed that 70% of respondents were of the opinion that the current strategy in the country vis-à-vis extension services was for companies to offer extension services that promoted the marketing of their own products, for example:

Respondent: *“Private companies are offering extension services to promote their products and at times at the expense of ethics. Government has no resources to police extension information provided to farmers by private companies. Crop rotations were now non existent”.*

Other comments from respondents were:

- Strengthening of the government extension services so that unbiased messages to farmers were given.
- Because of limited land per farmer in the smallholder sector which inhibited recommended crop rotations, an extension strategy to encourage farmers to intercrop must be put in place.
- To change the extension effort in Zimbabwe which was biased towards technical issues only, to extension services which emphasised on farm business management.

**There was a technological revolution in agriculture occurring in developed countries and in Asia and Latin America. The fruits of this revolution were not being captured by SSA to significant enough extent. A new approach to technology generation and dissemination was required which greatly expands investment in and the quality of agricultural research, extension, livestock services, agricultural education and training. Irrigation development and extension must have a larger role in this technology strategy.**

#### **4.10.7 Trade Barriers**

*Explain the impact of trade barriers.*

A respondent mentioned that the trade barriers faced by his company were enforced by the government because the company only exported by authority of government. Another respondent whose company did not export mentioned that trade barriers were affecting the operations of his company because this had negative impact on farmers who



purchased less agricultural inputs from the company. The removal of trade barriers was critical to Zimbabwe's farming industry because the country has the ability to produce a lot of agricultural exports but was being discouraged by quotas imposed by developed nations. But surprisingly some respondents were happy for Zimbabwe to impose trade barriers because this protected their products from outside competition, for example:

Respondent: *"We look at the removal of trade barriers as a threat to us because developed countries can flood the local markets with cheap stock feeds"*.

Respondents suggested that countries should produce crops in which they had a large competitive advantage to overcome trade barriers, for example, cotton and tobacco.

**Developed countries could do more good, more quickly, if they removed trade barriers. Africa has a terrific agricultural potential, that is, fertile land, plenty sunshine and lots of cheap labour. By exporting crops to developed countries, Africa could start on the path to growth. But unfortunately imported food and textiles were precisely the things that developed countries most vigorously shut-out of their markets.**

#### **4.10.8 Agricultural Research**

*What efforts are you employing to promote agricultural research?*

Analysis showed that 60% of respondents carried out research to improve, profitably, the agricultural inputs and crops they marketed. The balance of the respondents had this to say:

- Their structure did not have the capacity to carry out agricultural research.
- Zimbabwe once had a world renowned technical research institution but due to lack of government funds this has disappeared.
- They believed government should seek assistance from the agricultural private sector and finance houses. All stakeholders should be involved in the agricultural research effort.

**Agricultural research systems need to be rehabilitated and refocused in Zimbabwe and in nearly every African country. The refocusing was needed in the context of**



agricultural research, to make it more responsive to both farmers' needs and to the emerging challenges facing agriculture. As world markets change, research was needed to improve or change the quality of farmer, and export produce to match world demand. In SSA many agricultural research establishments were too small to undertake the entire gamut of research on their own. For this reason much emphasis was needed on establishing multi-country networks for specific commodities and themes, and in bringing international agricultural research centres and industrial country research institutions in as partners.

#### **4.10.9 Environment**

*Comment on the declining rainfall, environmental degradation and loss of soil fertility.*

Majority of respondents said this was a very critical issue and not just in Zimbabwe. This required international co-operation and help. All said their organisations were promoting the proper use of farm management and environment. Soil degradation was seen as the problem by 20% of the respondents, and they saw not much change in the rainfall situation. For example:

Respondent 1: *“On deforestation our research and extension department is educating farmers on land conservation. This is one of the criteria of our national farmer cotton competition”.*

Respondent 2: *“This can be prevented by education. Looking after soil by applying the correct nutrients. But if they get poor prices, farmers will purchase less fertiliser. Maintenance of soil pH is essential. Most soils in Zimbabwe have low pH. Plants find it difficult to absorb nutrients if pH is not correct. It is more profitable to apply lime than fertiliser alone”.*

The last twenty years or more, according to 10% of respondents, have seen a decline in rainfall and government should move into big infrastructure development of dams and irrigation schemes. Some respondents were aware of the problem but it was not part of their organisation's brief and they did not have the financial resources to offer help.

Respondent 3: *“We should follow the example of Israel's water conservation techniques. Farmers going to resettlement areas must be taught conservation measures, first.”*



**Natural resource management requirements varied enormously by ecological zone, not only between countries but within countries. Land-use plans, water plans, tropical forestry action plans and national environmental action plans were all planning tools for analysing and dealing with management issues at the national and regional level in an integrated manner. One critical factor which must be dealt with in these plans was that financial returns to conservation are often less than economic returns, and hence people and companies will undertake less conservation than was economically optimal.**

#### **4.10.10 Infrastructure**

*What is the solution to poor infrastructure, especially roads in the communal areas?*

Respondents (60%) agreed that there was no longer any network in the communal areas. They said that the collapse of the rural councils had exacerbated the problem and as a solution agricultural companies should decentralise to reduce the impact of bad roads.

Respondent 1: *“We help by establishing depots through out the rural areas, stocked with most of the farmers’ chemical requirements. Farmers don’t have to travel far for their inputs”.*

Respondent 2: *“We are able to provide transport to ferry seed maize from the farm gate. We also do inform government about our concerns on the state of roads in the communal areas”.*

Government through the fiscus should allocate more funds for road maintenance and tax collected from agricultural companies to be used for infrastructure repair, was the view of some respondents. The IMF/WB and donor organisations must be encouraged to help as well.

Respondents mentioned a good point in that smallholder farmers should be made economically viable in agriculture for them to be able to support the maintenance of roads



**The entire economy of a country relied strongly on its transport system. Rural transport infrastructure was highly deficient in most of SSA, distance from villages to major towns and to all-weather roads were substantial.**

**The importance of transport rural infrastructure for agricultural development was well established. Research in a number of SSA countries has shown that adequate transport links to product markets stimulate agricultural intensification, even where population densities were comparatively low. Farmers with access to roads used land more intensively, more readily adopted efficient techniques and modern inputs, produce more for the market and employed more labour.**

#### **4.11 Research Findings for Large Scale Farmers**

As indicated earlier only new issues and ideas emerging from the interviews will be highlighted. The interviews for this group lasted on average forty-five minutes each. A total of nineteen questions were put to the respondents.

##### **4.11.1 Trade Liberalisation**

***1) What did farmers in Zimbabwe do in order to understand trade liberalisation and reform programmes?***

Analysis showed that a good number of respondents understood trade liberalisation and reform programmes as a passport to produce export crops and enter into wildlife farming. Farmers were given the opportunity to select buyers who paid them top producer prices.

***Respondent: "This meant no subsidise from government. This was good for the farmer. The negative side was if world prices dropped on any crop, the farmer became very vulnerable because there was no government support".***

The government controlled respondent said that as a state controlled farming enterprise they did not concern themselves with IMF/WB trade liberalisation, for example:

***Respondent: "We took our cue from government. The privatisation we did was to ask government to decentralise our activities".***



Respondents said that as farmers they did contact institutions like WTO, government, farmers' organisations and even went outside Zimbabwe in order to see how reform programmes benefited other countries.

***2) What was the impact of the proliferation of marketers/crop buyers when agriculture was liberalised?***

This was welcome by most respondents and they said that it saw the formation of agricultural commodity exchange in Zimbabwe. This provided an opportunity for farmers to get the best producer price on offer. It also provided the setting up of private grain silos (as opposed to GMB) but this collapsed as it was seen as discriminatory because it served only the interests of a few farmers (white). Respondents said that unfortunately the communal (small) farmers did not benefit much from all this because of access roads which were in disrepair in their part of the world.

For the large scale farmers trade liberalisation was a welcome development which boosted their incomes by giving them chance to compete successfully with the rest of the world. A lot turned their large farms, for example, into wildlife sanctuaries which promoted hunting and photographic safaris. Their major clients were from overseas and made payment in the much sort after foreign currency.

**4.11.2 Agricultural Extension**

***1) What farming help do you envisage giving the smallholder farmer who depends on agriculture to overcome poverty?***

Although large scale farmers were willing to train small scale in farm management, it was up to the communal farmers to make the first move. The government controlled respondent said that they had the mandate from government to assist the small scale farmers in training them to be better farmers, for example,

Respondent: *"Small scale farmers have been taught successfully to produce cash crops like cotton, tea, coffee, horticulture and dairy. We have taught and shown them how to do budgets. We have extension personnel who work with these farmers".*



A respondent highlighted that communal farmers in Zimbabwe were receptive to training and change, especially in business approach to agriculture but the system in the country does not provide backup services.

Analysis also showed that respondents (20%) believed that to have positive impact on the training to communal farmers, land in communal or resettlement areas should be given value and be marketable. The same respondents would like to see each large scale farmer inherit ten small scale farmers and teach them proper farming methods.

### ***2) What would you like to see agriculture colleges include in their syllabi?***

The majority of respondents said agricultural colleges should train people on how to farm. The biggest problem was that agricultural colleges were training students to work as employees and not employers.

*Respondent: "Little is done to encourage these people to go into farming on their own. Students should come out of colleges as full fledged farmers and not employees. If they can farm they can be good extension or research workers. Graduates should be made to have off- university or college experience."*

Another point mentioned was that agricultural colleges should include land reform programmes on their syllabi. These colleges should be centres for information and training for farmers. In the syllabi appropriate technology for various agricultural activities should be a priority.

*Respondents: "Water harvesting for crops and household use should be taught at all colleges. Skills in tree grafting for high fruit production should be included".*

### ***3) Please give comments on current extension service strategies by various agricultural companies in Zimbabwe.***

Respondents (60%) said that all agricultural extension information to farmers must be synchronised and agricultural companies should go to service farmers in groups and not as individuals.

*Respondent: "There is lack of extension co-ordination in the country. We need a similar system as practised by the white large scale farmers --- have clubs where people meet*



*and discuss farming issues. Speakers from all agro-companies were invited to attend and participate”.*

The current confused scenario where various companies were offering different agricultural extension message to farmers were due to the inability of government extension service to play a co-ordinating role.

Respondent: *“Government extension staff don’t have the means to be mobile. These companies are not teaching farmers crop rotations. They are concentrating on their crops which keep them in business. Farming recommendations are being compromised”.*

***4) Why did most large scale farmers reduce their dependence on extension service provided by government?***

Majority of respondents mentioned that because of poor services provided by government extension services, white farmers established their own research farms to cater for their own extension needs. The farmers used consultants and agrochemical companies as their vehicles for extension expertise and information.

Government emphasis changed from servicing large scale farmers to serving the communal and resettlement farmers, for example:

Respondent: *“Government instructed its extension services to concentrate on the communal and resettled farmers. The large scale farmers had no alternative but to look elsewhere for extension services”.*

At least 20% of respondents mentioned that a lot of the old government extension personnel (mostly whites) joined the Commercial Farmers’ Union extension department and the local agrochemical companies. This left the government extension department heavily depleted of expertise and experience. Therefore the large scale farmers saw no need of using the government extension programme.

**The government of Zimbabwe should have used the large scale farmers as extension agents for their resettlement programme. But the government unfortunately thought that by doing this, it would be construed as a failure. The revision of the**



curricula for agricultural colleges and universities was long overdue. Large scale farmers felt that state extension organisation was very inferior.

#### **4.11.3 Agricultural Practices**

*What would you advise government to do in order to improve maize stocks?*

All respondents said that the reduction of maize stocks in the country was caused by the low producer price of maize.

Respondent 1: *“Farmers are in business and will grow crops that will give them cash”.*

Respondent 2: *“If price is right farmers will grow anything. Current producer prices don’t take into account the input costs. We have high yielding maize varieties but not the producer price. Farmers are in farming for business and not to grow food for the nation”.*

Observation by 40% of respondents was that farmers should be encouraged to grow a lot of cash crops to earn a lot of foreign currency and use the funds to import maize. Other respondents would have liked to have seen government contracting farmers to grow 50% of the nation’s maize requirements at attractive prices, and the balance to be imported or grown by any farmers wishing to do so.

#### **4.11.4 Infrastructure**

*What can smallholder farmers do to improve and maintain their road networks?*

This response made a lot of sense:

Respondent: *“We pay rates and taxes – what for? In order to improve roads in the communal areas you need to develop these areas to have a pull effect for infrastructure, for example, the creation of Sanyati Irrigation Scheme brought in telephones, electricity, good roads, banks and shops. Development has died in this country”.*

The rural councils in both large scale and small scale areas were mismanaging the councils resulting in roads being bad everywhere.

Respondents showed that rural communities should form groups to maintain and repair their own roads. They should be encouraged to collect taxes and levies amongst



themselves for the maintenance of their roads. They should ask assistance from NGOs as well.

Respondent: *“Give them sections of roads to own and look after. It works in Zambia. Give them ownership”.*

#### **4.11.5 Land Reform**

*How would you like to see the land reform addressed in Zimbabwe?*

Analysis showed that all agreed that there was need for land redistribution. But it should be done in an orderly and transparent manner, for example:

- Land to be split into two categories, that is, small scale (into five hectare units) and large scale (into 200 hectare units, depending on natural region) each category was to be headed and supervised by a good farmer who was to be responsible for all the training of new farmers
- Land to be redistributed to be offered to people with capacity and access to resources to work the land.
- In order to improve efficiency all farmers to be given targets and those who do not meet targets after two or three seasons to have land taken from them.
- Large scale farmers (white and black) to play a massive role in assisting and training the new farmers.

All farmers to be given title to the land they occupy in order to encourage investment.

#### **4.11.6 Aid**

*From your experience has aid through IMF, WB and other donors played a useful role in Zimbabwe?*

There was a mixed reaction to this question:

- Aid has not been successful. A sensitive issue and respondents did not want to discuss further.
- The IMF/WB aid was necessary for supporting balance of payments. But government used funds provided for non essential and non economic generating issues for example: Respondent: *“In the 1992 drought funds from WB were not used successfully to move cattle to less drought affected areas. Because the funds went through many stops before they reached the intended beneficiaries.*



*Government is to blame for this. Funds should have been channelled through banks that have a network and branches throughout the country. Thus making it easier for farmers to have access to funds.”*

- Countries should not get aid on terms set down by the IMF/WB because this is a recipe for disaster. Respondent: *“Don’t accept aid if you are not going to benefit. Government should be able to say ‘NO’ and suggest what they want”.*

**Putting it crudely, in most cases in Africa, structural adjustment amounted to reorganising a bankrupt company and placing it together with massive infusion of new capital, in the hands of the same incompetent managers who ruined it in the first place.**

#### **4.11.7 Climate**

*How are you coping with the decline in and unreliable rainfall patterns in Zimbabwe?*

It was shown in the analysis by respondents that in order to overcome the decline in and unreliable rainfall the country should increase the area serviced by irrigation. Respondents had changed their farming systems to suit the current climatic conditions faced by the country, for example, practising soil moisture conservation and capturing water in the lands by potholing and tie ridging.

Better natural resource management was needed to preserve the productivity of land, water, forest, plant and animal life in the face of widespread environmental degradation in Africa. Managing the natural resource base was both an important ingredient for agricultural production and was an objective in itself.

**Good agricultural practice from an environmental perspective must be made identical to good agricultural practice from a growth and poverty alleviation perspective. This can only be achieved by rapid agricultural intensification, that is, greater output per unit area.**

#### **4.12 Research Findings for the Small Scale Farmers**

This group had the largest number of respondents because as said earlier in this research (see Chapter 3; 3.15) it had the largest population of farmers in the country. Only new



issues and ideas emerging from the interviews will be highlighted. The interview sessions for this group of respondents lasted thirty minutes each on average.

#### **4.12.1 Infrastructure**

*What are you farmers doing to improve the state of roads in your area?*

Respondents believed that the problem of road maintenance and repair was due to the District Development Fund (DDF) (a government department under the Ministry of Local Government) who always indicated that they had no funds, for example:

Respondent: *“The problem now is that very few vehicles are using the roads. Some vehicles have overturned because of these roads. As you can see for yourself we have shrubs and bushes now growing on the roads. This is DDF’s fault”.*

Some were aware of the problem but had handed it over to their local member of parliament to sort it out. Other respondents had given up on road maintenance because after several meetings amongst themselves nothing fruitful was achieved.

All respondents confirmed that bad roads had affected the marketing of their crops. The delays caused by bad roads had reduced the quality of their produce. A good number of respondents sort out transport assistance from companies who bought their farm produce.

#### **4.12.2 Irrigation**

*What conservation measures are required to help protect irrigation dams from siltation?*

The majority (72%) of respondents believed that the protection of irrigation dams from siltation started with proper conservation measures of their farms.

Respondent: *“Farmers should avoid grazing their livestock around the dam. I think that if a banana plantation is established around the dam, 60 metres from the bank, this will stop any silt flowing into the dam.*

Others said that the dam they were using had silted and had asked for assistance to scoop out the silt but no funds were available from both farmers and government. In some areas the respondents confirmed that there was no-one concerned about environmental



conservation and government was doing nothing to encourage proper maintenance of the environment.

#### **4.12.3 Structural Adjustment**

*1) How would you like to have seen this programme introduced and run so that people especially you farmers would get maximum benefits from it?*

Most respondents declared that ESAP was a disaster to both rural and urban dwellers because all the positive things which were promised by government came to zero. Respondents said that this programme should not have been introduced in Zimbabwe.

Respondent: *“Up to now we don’t know the purpose and benefits of ESAP. Now we see that illuminating paraffin is now dearer than petrol. This was not the case before ESAP”.*

Some respondents associated ESAP with high cost and shortage of farm inputs, transport and life in general. Their Farmers’ association did not participate in the consultation and planning of ESAP. Farming inputs were now only available on the black-market at exorbitant prices.

Respondents wanted to see benefits of ESAP as promoting, upwards, the crop producer prices in order to make farming profitable. They believed government was more qualified than them to negotiate ESAP issues.

*2) Please compare the marketing scenario of crops in Zimbabwe before and after independence.*

Respondents from this sector said that it was not possible for them to compare the two periods because the communal farmers were not allowed to participate in growing of cash crops during the colonial days. But they stated that they found more marketing opportunities and outlets after independence.

#### **4.12.4 Agricultural Extension**

*1) Please comment on the statement that the service provided by government agricultural extension workers was becoming poor.*



Some respondents (22%) showed that they were getting quality information from their extension workers and their relationship with extension staff was excellent.

Respondent: *“We also meet with our local extension staff at field days, dry shows and demonstration plots organised by various agricultural companies”.*

But the majority said that they only had contact with extension staff at agricultural shows, for example:

Respondent 1: *“The only time the extension staff paid me a visit was to assess, for insurance purpose, the damage caused by fire to my tobacco”.*

Respondent 2: *“We don’t know whether the non-activity of extension personnel is due to government policy or not. These people used to visit us on a regular basis in the past”.*

Respondent 3: *“Most of the farming information we use is passed from one farmer to another. It is all trial and error. Government is not being helpful”.*

## ***2) How useful to you is the extension service provided by companies that purchase your farming produce?***

Most respondents said that information on agriculture provided by private companies was very good. But the snag was that companies only concentrated on crops specific to their company. Others did not receive any extension services from private companies because they were not contracted to grow crops for them. They wanted to see government force private companies to give extension services to all farmers regardless of whether the farmer has a contract with them or not.

**Government of Zimbabwe should continue to coordinate all extension efforts in the country but must encourage the private sector to operate their own extension teams. The cost of training extension personnel was high.**

## ***3) What are you doing about increasing your crop yields without increasing your land size?***

The majority of respondents did everything recommended to achieve maximum yields per unit area but found that the reduced rainfall in the country was a negative factor in



achieving higher yields. Irrigation was seen as the only way to obtain higher yields and were busy trying to establish irrigation schemes in their areas. They had appealed to government to provide funds for dam and irrigation scheme construction. Others added that adherence to crop rotations and maintenance of proper soil and water conservation had helped them to increase yields. The regular annual soil fertility tests (soil sampling) and crop rotations were a good recipe for increased yields per unit area. A good number of respondents believed that moving from their current holdings to new and fertile areas would ensure that they got more per unit area.

**Zimbabwe will need to continue the search for higher-yielding crop varieties in order to improve yields. This can be achieved in combination with expanded fertiliser use which currently was in short supply because of ineffective government agencies, poor transport systems, limited foreign exchange and restrictions on private sector fertiliser marketing. Planned programmes of disease and pest control would be necessary. Pest and disease resistant crops will have to be developed. Further irrigation could contribute significantly to expanding agricultural production in the country. It would be necessary to raise the productivity of crops by using improved agricultural equipment.**

#### **4.12.5 Agricultural Practices**

*How competent are you in the production of cash crops like tobacco, cotton, paprika, wheat and horticulture?*

Analysis of the respondents showed that 70% were competent in producing good quality cash crops, thanks to extension services provided by private agricultural companies.

Respondent: *“Although I grow cotton on contract to Cottco, I find the expertise I get from them to be good because I am getting high yields and grades. My family is living comfortably from cotton growing”.*

The balance said that they were growing cash crops but were not using private companies to get extension services. They did not want go contract farming therefore, they obtained loans from Agribank and used their past experience in farming to produce cash crops.



Those respondents who used private companies for contract farming complained that they were not happy with the producer prices they were being offered because these were not related to the cost of production.

**The private sector that required farmers to produce crops (cash) for them must be asked to provide their extension schedules to government so that these can be vetted for compliance with the recommended agricultural practices of the country and if there were no extension plans the companies should not be allowed to operate in Zimbabwe.**

#### **4.12.6 Agricultural Inputs**

*How can the delivery of agricultural inputs be improved so that farmers get their inputs on time?*

The inability by government to change its attitude of placing low priority towards agricultural production was causing delays in the delivery of inputs (government had blamed the shortage of foreign currency as the reason). Respondents said that the other way of improving the delivery of inputs was the removal of selling of agrochemicals on the black-market.

The country was experiencing shortages of agrochemicals at prescribed outlets but surprisingly there was abundance at black-market outlets albeit at exorbitant prices. Delays were also compounded by the poor conditions of roads. Respondents mentioned that loan applications should be processed timely so that delivery of inputs was not hampered.

**Technology dissemination required efficient mechanisms for the sale and timely delivery of farm inputs, equipment and livestock. The government in Zimbabwe had largely failed to provide such mechanisms. The import, domestic manufacture and marketing of farm inputs and investment goods, as well as livestock should be left primarily to the private sector. The government should have a facilitating role in order to ensure that the regulatory environment does not discourage private sector**



**participation in farm input supply. It should provide advice through the extension service to farmers and to farmers' groups interested in purchasing and distributing these goods to members.**

#### **4.13 Transporters' Responses**

The reason for including the owners of haulage vehicle was to confirm the concerns highlighted by smallholder farmers, that is, the cost of moving inputs and produce had become very prohibitive and that there was a general shortage of haulage vehicles in Zimbabwe. This in most cases is caused by poor roads and shortages of fuel, spare parts, replacement vehicles and foreign currency.

##### ***4.13.1. How do you find rural transport infrastructure in Zimbabwe?***

Half of the respondents said that in the areas where they operated roads were almost non-existent and they struggled a lot to operate under these conditions. Eventually this was going to result in farmers failing to get transport to ferry their produce to markets. One of the transporters had this to say:

*Respondent: "People are lazy to think. Government resettled farmers but these people are failing to organise themselves and do road maintenance without relying too much on government. They should do food, the food for work programme".*

Transporters had been told that lack of maintenance and repair of roads was due to fuel shortages to operate road maintenance vehicles and breakdown of machinery.

##### ***4.13.2 How can you help improve the availability and reliability of transportation in rural areas?***

A quarter of respondents felt that it was not their responsibility to look after roads. It was the responsibility of government. Others preferred to help in the maintenance of roads by providing fuel. It was their observation that farmers were not keen to help themselves. All respondents agreed that delays in farmers getting transport on time due to the poor state of roads were compromising on the quality of the crops.



Respondents stated that the high cost of vehicle maintenance was forcing them not to do scheduled vehicle maintenance. This in turn caused high levels of breakdowns which made them to provide a substandard service to farmers.

***4.13.3 What criteria do you use for transport charges to farmers?***

Analysis showed that respondents (25%) looked at the distance covered and weight of goods ferried before putting a price to the items transported. They did not communicate with the farmers the criteria used for charging and farmers did not query this. The transport charges were agreed before goods were moved to markets.

The other respondents used also distance to the market but included in the cost the state of road travelled. They did explain the criteria for pricing transportation and this was always negotiated.

***4.13.4. Please comment on the statement that some transporters are moving to service regional routes at the expense of rural farmers.***

The majority confirmed that transport owners, mainly large operators, were doing inter regional routes; this was because payment was in foreign currency and roads were well maintained.

***4.13.5. What problems do you encounter when delivering produce from farmers to markets?***

All respondents said that payment for services rendered was not a problem but 75% found that farmers were giving false information as regards to the size of the load to be ferried. Usually transporters found that loads were not full (under loads) as per order received from would be customer, the farmer. Farmers selfishly wanted to move their produce at the expense of transporters. One man operators sometimes found farmers not organised to load produce onto vehicles and this resulted in a long costly turn around time.

***4.13.6. As a transporter how do you envisage helping improve the rural network?***



Half of the respondents were willing to offer their vehicles to ferry road maintenance materials (for example, water, stones and sand) but they could do this outside their business hours. Others had earlier on, in the interviews, indicated that they had offered fuel to be used in the running of road maintenance machinery. Twenty-five percent had given up on trying to help, because their suggestions on how to maintain roads went unnoticed and unanswered by government.

***4.13.7. What has been the impact of trade liberalisation to your company and business?***

A small number of respondents had found that trade liberalisation had brought a lot of shortages, for example, fuel and spare parts.

Respondent: *“We are spending a lot of our time queuing for fuel instead of ferrying produce for the farmers. Farmers don’t understand this.”*

Business had improved to the majority of respondents soon after liberalisation. A lot of farm produce was available to be ferried to various markets, for example, cotton, tobacco, soyabeans and various horticultural crops. But this boom was short lived because roads went into disrepair due lack of maintenance; there was a shortage of replacement vehicles, spares and fuel in the country. This was caused by government inefficiencies and shortage of foreign currency. Farmers were not in a position to take stiff hikes in transport charges and therefore a lot of transporters went out of business.

***4.13.8. Please discuss and explain the transport business atmosphere/constraint in pre and post independent Zimbabwe***

All said that they did not do much business before independence because most business was done by white owned transport enterprises. White farmers used their own trucks and small scale farmers were not producing much to ferry to markets. But the infrastructure was much better before independence.

**The responses given here by transport owners confirm what both large and small scale farmers had said about the poor state of road infrastructure in the rural areas.**

**The biggest losers from lousy infrastructure were ordinary Zimbabwean rural farmers. Because of bad roads and shortage of transport farmers found that their agricultural inputs and transport costs were getting higher each farming season to unaffordable levels. This has a huge negative impact on the agricultural production of the country.**

#### **4.14 Summary**

**It is clear from the two analyses that structural adjustment was really not a development strategy but merely prescribed efficiency conditions. Those conditions were to be found under the free reign of market forces. SAPs, therefore, advocated a reduced government role and an increased role for private capital. Implicitly, therefore, accumulation would be best achieved under market conditions.**

**In the view of the IMF/WB, a public sector-dominated economy was inherently more distorted and more inefficient than its private sector-dominated counterpart. Such an economy would therefore have to adopt more far-reaching measures and in the interim, experience more adjustment-related costs than a private sector economy. For the IMF/WB, the importance of SAPs lay in the fact that they provided mechanism for the resolution of the debt crisis.**

**Given that Zimbabwe was and is in an economic crisis, it has no option but to adopt the current SAP Model, more emphasis must henceforth be placed on designing ways and means of aiding the accumulation process within (or without) structural adjustment. As a start, there was great need to improve government efficiency and promote efficient government intervention in the economy.**

**Finally, it was well known that the present crisis was, financial and more specifically, a foreign exchange crisis, due to adverse trade terms facing Third World exporters. The debt crisis was merely a symptom of an unfavourable foreign trade regime. Structural adjustment was in danger of collapsing unless a clear debt reduction strategy was**



implemented. The developed world would greatly help reduce the crisis by opening up their markets to Third World exports.

The two fieldwork studies have confirmed that the current SAPs imposed harsh economic measures which deepened poverty, undermined food security, and self-reliance and led to unsustainable resource, environmental destruction and population dislocation and displacement. The narrow conception of economic growth as advocated by SAPs as the means to achieve social and environmental objectives should be rejected.

The analyses confirmed that there was selective consultation in designing SAPs in Zimbabwe. The people who were going to be affected in one way or the other were not consulted. The awareness of the programmes was very limited. The Zimbabwe government tried to popularise the programme as it was being implemented. The right approach should have been to explain intentions and gain support for the programme and at the same time get inputs from all different segments of society before adopting the programmes.

Despite claims to the contrary, IMF/WB-imposed SAPs had paid little or no attention to their environmental impact. SAPs called for increased exports in SSA countries to generate foreign exchange to service debt. The most important agricultural exports of developing countries included cash crops (for example cotton horticulture, soya beans tobacco, timber and fisheries). The acceleration of resource extraction and commodity production that resulted as countries increase exports was not ecologically sustainable. Deforestation, land degradation, desertification, soil erosion and salinisation, biodiversity loss, increased production of greenhouse gases and air and water pollution were but among the long-term environmental impacts that can be traced to the imposition of SAPs.

Time has come for alternatives that address both the economic model upon which SAPs were based and the non-democratic and excessively harsh method by which SAPs were imposed. The next chapter proposes these alternatives that can be used in Zimbabwe and SSA.

## **CHAPTER FIVE**

### **PROPOSED ESAP MODEL**

#### **“THE BETA MODEL”**



## **CHAPTER FIVE: PROPOSED ESAP MODEL**

### **5.0 Introduction.**

This chapter is going to give the justification for and the proposed alternative ESAP Model.

The failure of Zimbabwe and most of SSA countries to bring about a process for sustainable development in spite of SAPs as well as the suffering of people led this researcher to investigate whether there was a possibility of finding an alternative model to the current sponsored IMF/WB structural adjustment programmes. Although this thesis is mainly focused on agriculture it is clear that an alternative to the current SAPs cannot rest solely on an agricultural programme. It must of necessity take into account all aspects of economic and social life. Therefore, while stressing agricultural problems, this thesis will relate them to other economic sectors without whose transformation agriculture has any hope of truly developing to ensure food self-sufficiency for Zimbabwe and SSA countries.

From the results of the two analyses it shows that the Zimbabwe government, because it was not fully committed to ESAP, has not accorded the necessary priority to agriculture both in the allocation of resources and in giving sufficient attention to policies for the increase in productivity and improvement of rural life, for example,

- The government extension services are almost in limbo because there is no funding to cover basic things like travel and subsistence allowances, training and crop demonstration plots.
- The research services like the extension department have no funds to carry out new and maintenance research work.
- The infrastructure, a responsibility of government, in the rural areas has fallen apart affecting the smooth running of the agricultural production.
- Government has been resettling people onto farms without any vetting to establish the farmers from non-farmers.

- Farmers are unable to get spares, fuel and agricultural inputs for their farm operations because government is not providing enough foreign currency to the country's agricultural sector.

Time has come for Zimbabwe and SSA countries to shift the political, economical and developmental debate from neo-liberal economic discourse to the people centred developmental alternatives in a more sophisticated, historical structural and humanist manner.

Countries should be channelling more resources towards the improvement of political, economic, scientific, technological, environmental, cultural and sociological environments.

It should be emphasised that vital prerequisite for development, as shown in the literature review, was a stable political environment. So without this crucial condition economic growth in SSA countries will always prove to be elusive. Disregarding the rights and needs of the citizens and refusing to allow them to participate in decisions affecting their country arouses political tensions. Instability (for example Zaire) breeds fear and uncertainty and it is therefore hardly the scenario for economic development.

Reduction of military spending and elimination of waste in the non-productive public sector, removal of subsidies, other than those for social and basic industries, land reforms designed to increase production and employment opportunities and a parallel exchange rate system of multiple exchange rates utilised to mobilise resources and to attract flight capital, are all necessary.

### **5.1 Justification for the Alternative ESAP Model**

Much thought has been given, in this research study, to modifying the strict character of orthodox IMF approaches to stabilisation and orthodox WB approaches to adjustment. In the course of this thesis a number of proposals have been made and ideas emerged. It is essential to state, here, that several attempts have been made in the past by SSA countries



as well as the United Nations Economic Commission for Africa (ECA) to provide solutions to the IMF/WB adjustment programmes.

The adoption of the Lagos Plan of Action (LPA) and the declaration of the Final Act Lagos (FAL) in April 1980 by the SSA Heads of State at their first-ever economic summit constituted (a) a reaction to the failures of modernisation and other orthodox development theories and strategies of the 1970s, as well as (b) a response and commitment to redress the economic crisis that had plagued their continent since independence (Chakaodza, 1993). In 1979 African Heads of State adopted the Monrovia Declaration which placed emphasis on collective self-reliance and regional linkages through (a) self-sufficiency in food; (b) a sound industrial base; (c) development of transportation and communications to facilitate regional internal integration and (d) and increase in intra-African trade (OAU, 1979).

Both the LPA and Monrovia Declaration were comprehensive and realistic enough to offer hope for a better future for SSA if rigorously implemented. However, the two documents suffered from certain limitations. Neither of them addressed seriously the question of transforming fundamentally the political-economic and institutional structures typical of all SSA countries after independence. They also did not raise questions about inequalities in the distribution of income and services (the elusiveness of basic human needs) or of class distinctions in the continent, although they belatedly recognised the issue of women in development. Lastly the explicit issue of ideology to inspire political commitment to collective self-reliance appeared to have been left to chance.

Below is a summary justifying the need for an alternative ESAP Model:

- There should be more dialogue and persuasion rather than imposed conditionality.
- There must be recognition that at least part of the present difficulties of many developing countries necessitating stabilisation and adjustment are due to external reasons over which the developing countries have no control, for example, weak commodity prices, deteriorating terms of trade, high interest rates, and slower growth in the developed countries and protectionism in the form of trade barriers.

- It can be argued that the IMF and WB themselves carry some of the responsibility for the magnitude of the debt crisis, in the sense of inadequate warnings and preventive action during the period 1974–1982, that is, from the first big rise in oil prices to the full eruption of the debt crisis. During that period OPEC was happy to put its surpluses into the commercial banks of the USA, UK, Switzerland and other countries, for recycling instead of supplying cheap oil to developing countries.
- In the matter of acceptable and sustainable stabilisation/adjustment policies and the impact of given policy instruments, there is still considerable uncertainty and lack of knowledge. These are matters of great complexity and the impact of the instruments in the orthodox repertoire is by no means clear. The empirical evidence is mixed. In these circumstances there is a case for being less self-confident in prescribing measures such as devaluations, abolition of food subsidies, move towards market prices and fiscal policy. Instead there is a good case for considering alternative approaches, and evaluating their results without ideological prejudice.
- Adjustment is a difficult process with serious political and social implications. Therefore sufficient time must be given to make the process more gradual and soften the political and social impact. By contrast, stabilisation measures can be enacted almost instantly, but for that very reason they tend to have an immediate shock effect which also carries its own political and social dangers.
- The above point is closely related to the advocacy of more external finance being made available, as a quid pro quo for accepting the great sacrifices and risks often involved. There is a risk, which experience has shown to be all too real, that even temporary and perhaps unavoidable lapses from the original adjustment targets may result in a cessation of external support and the collapse of the whole programme.
- This last point also leads to the suggestion that in alternative approaches the number of conditions and targets should be limited and deviations from the targets should be a matter of discussion rather than automatic suspension of external support, in other words fewer and more flexible targets.



- New unfavourable changes in external circumstances subsequent to the conclusions of agreements should be taken into account and more readily admitted as reasons for modification of original conditions. Alternatively, there should be compensation facilities.
- There should be more concern with income distribution and the social impact of stabilisation and adjust programmes. Many programmes have resulted in severe cuts in real wages. The UNICEF Volume on Adjustment with a Human Face (2000) has documented widespread harmful impacts on child nutrition, educational and health facilities and infant mortality. There is a danger that destruction of human capital may defeat the longer term objective of adjustment, that is, to lay the foundations for subsequent sustainable growth. While the shift from urban to rural incomes is per se a move towards greater equality of income distribution (since rural incomes tend to be lower than urban incomes), there is a risk that this may be offset by an unfavourable redistribution of incomes within the rural sector towards the larger and more prosperous farmers who are better able to take advantage of new price incentives offered, at the expense of small farmers or landless people.
- There is concern about the present timing and sequencing of IMF and WB action, and their mutual relation. The IMF stabilisation measures, usually working in a contractionist and deflationary direction, tend to come first and have immediate effect. The structural adjustment measures and the longer-term structural adjustment finance which at least in principle are more growth-oriented, take a much longer time to be effective. The critics want to reserve the sequence between support and more immediate need for stabilisation to improve the balance of payments. They want a policy of “growing out of debt” instead of “contracting out of debt”.
- This thesis believes that the negotiations concerning stabilisation and adjustment are presently too much confined to the financial sphere, taking place between financial experts of the IMF or WB on the one hand, and of ministries of finance and central banks of debtor countries on the other hand. It was revealed in the analysis chapter of this thesis that the conditions of various sectors of the real

economy such as agriculture, industry, transport and institutions are sufficiently built into the negotiations and programmes.

- It is true that adjustment problems and optimal adjustment policies are country specific and there is a need for careful country specific analysis. On the other hand, the impact of what is recommended to Country X on other countries, also subject to advice on adjustment policies, cannot be disregarded. For example, if devaluation is recommended to say Zambia in order to increase the export of cotton, the impact of this on the cotton exports of say Zimbabwe cannot be disregarded. If Zimbabwe at the same time is induced to devalue its currency to bolster its cotton exports, the backlash on Zambia will undo at least some of the intended advantages of Zambia's own devaluation. In the end both countries may be worse off, with the cotton importing countries as the main beneficiaries. More generally, concern exists about the effect of outward orientation, that is, promotion of exports, which underlies many adjustment programmes, on export prices and terms of trade. It is also not always clear that devaluation with high prices for export crops, in terms of local currency, always gets through to the producers and if it does whether the resulting increase in exports is not at the expense of food production for domestic use. The orthodox approach emphasises that import substitution must be efficient.
- As a general trend, there is increasing recognition of the need for adjustment programmes to be more "growth-oriented". The principle that adjustment should be more "growth-oriented" is not controversial. The Bretton Woods institutions themselves are increasingly accepting this point. But there still remains an area of doubt as to what extent stabilisation, often involving austerity is a pre-condition for growth and hence must come first, as against the view that growth orientation should dominate both stabilisation as well as adjustment.
- A particularly important criticism of the orthodox approach is that it is not country-specific enough, in the sense that the programmes reflected too much a standard approach, dominated by monetarist or neo-liberal doctrines and ideology. This criticism refers to a general presumption of these programmes (a) that market failures are less important than government failures, (b) that rational



allocation of existing resources is not given priority, (c) that getting prices right is of primary importance and that price incentives are vital and effective, (d) that criticisms of a standard approach are vigorously denied by the IMF and WB but various analyses have shown that country programmes in fact bear considerable resemblance to each other in the above other respects.

## **5.2 The Proposed ESAP Model (“The Beta Model”)**

The literature review and research analysis has shown that given the structure of Zimbabwe’s and SSA’s socio-economic structures and the region’s development objectives, the orthodox approaches of stabilisation and structural adjustment are inappropriate for bringing about economic recovery and socio-economic transformation. This is because the model which underlies orthodox stabilisation and SAPs emphasises almost exclusively the use of competitive-domestic and external–market forces. Such a model is essentially not adapted to the SSA situation which has production structures and imperfect markets. The programmes’ concentration on achieving internal and external financial balances ignores basic structural factors that are important for both economic growth and socio-economic transformation.

Bello and Mittal (2000) support the introduction of a new model by suggesting that the key element is the abolition of the IMF, WB and WTO, and their replacement with a pluralistic system of institutions that complement but at the same time check and balance one another thus giving the developing countries the space to pursue their own paths to development.

This thesis has stressed sufficiently the failure of the development strategies hitherto pursued in the framework of the existing SAPs. Proposing a popular programme that could constitute an alternative to the orthodox IMF/WB SAPs can only emerge from a sustained work of reflection which must be the constant pre-occupation of researchers, especially African researchers.

It is now obvious that among the powers that be some (IMF/WB and SSA governments) are beginning increasingly to see the necessity of an alternative. This is evidenced by the hosting by the United Nations, of the Johannesburg Conference in 2002.

At the root of the food problem in SSA is the fact that governments have not usually accorded the necessary priority to agriculture both in the allocation of resources, and in giving sufficient attention to policies for the promotion of productivity and improvement of rural life. Stress must be repeatedly laid on the notion that SSA must cultivate the virtue of self-sufficiency.

Firstly, the alternative to SAPs is going to address the question “to what should SSA countries be adjusting?” While most, if not all, SAPs in SSA countries had taken the short-term view that Africans should be adjusting to the financial crisis. But what these economies require is to bring about structural transformation, diversification and increased productivity throughout. Balancing budgets on its own can never make the African people richer and can also never bring about real development. The alternative framework is, therefore, anchored on the premise that any adjustment programme must not compromise long-term development of the SSA countries.

The next question to be addressed is “what should SSA countries adjust?” The research found this to be one of the most difficult questions because it touches on almost all aspects of socio-economic life, that is, political, social, cultural, environmental and economic issues. The research analysis found that SSA countries should adjust three basic elements:

- The different forces in the SSA society such as the domestic systems of government, the nature of the public sector, the education and learning systems, the cultural motivations and value systems.
- The different ways and means SSA countries produce what their people need (a) the human resources in terms of know-how and imagination: (b) natural wealth in terms of minerals, land, forests, livestock, wildlife and energy; (c) the



financial wealth in terms of what people can keep or have kept aside for the future.

- The goods and services to be produced should, in the alternative framework, be those that are vital for the welfare of the people and for keeping the process of production running smoothly and continuously. These include vital goods and services like food, water, basic clothing, soap, and energy for cooking, medicines, educational facilities and school supplies, improved and affordable infrastructure.

The third question that the alternative framework will set out to answer is that of “how to adjust?” Any adjustment that a country does should be done in such a way that human welfare is improved rather than worsened and that the economic transformation will occur along with adjustment programmes.

The last, but not least, important aspects of the alternative framework relate to the issue of “adjustment for whom and by whom?” Adjustment must be for the benefit of the majority of the people and as such, adjustment programmes must derive from within rather than without the people (the bottom up approach). Hence the alternative framework insists that adjustment with transformation must involve:

- Access of the poor to basic factors of production.
- Creation of employment opportunities.
- Improving the way national wealth is shared throughout the population.

Regarding the issue of who is to implement the alternative framework it is necessary to emphasise the role of popular participation. Programmes of adjustment with transformation should not be the property of only the government or Ministry of Finance or IMF or WB. But it must be the property of the people and the people’s own grass-roots organisations. It is the people who should decide on the main thrust of such issues and also devise the means and actions to be taken to implement these programmes.

It should be clear from the proposed alternative measures that national packages and programmes with transformation will have to be much less dogmatic and much more pragmatic than the orthodox programmes have been on the question of the role and size of the public sector. A judicious mix between expanded private initiatives and efficient government intervention is needed to create an environment that would enable both the private and public sectors to thrive and contribute effectively to the growth and development process. Government interventions in SSA have so far become discredited, not because there is an effective alternative in the form of efficient market mechanism but because of inefficient management, poor results and misallocation of resources. One of the major impediments to economic, social and political development in SSA is corruption or bad governance. Hope (1987), Dey (1989) and United Nations define corruption as behaviour such as the use of public authority, office, or official position with the deliberate intent of extracting personal or private monetary rewards or other privileges at the expense of public good and in violation of established rule and ethical consideration, theft, embezzlement of public funds or appropriation of state property by other means, as well as nepotism or granting of favours to personal acquaintances.

There is little doubt, therefore, that efforts must be made to improve the efficiency of the public sector and to ensure that government interventions are properly targeted and government-determined priorities are effectively pursued. However, in the contemporary SSA situation, calling for wholesale replacement of the government with markets which hardly function is unjustifiable, since it is only as and when the necessary productive capacity is built and put in place that market forces would become competitive and progressively play an increasing role as an engine of growth and development. This means, firstly, that a pragmatic balance will need to be established between public intervention and private initiatives, with the emphasis being put on the creation of an enabling environment that is conducive to the effective functioning and contributions of both sectors to development, and, secondly, that government would need to yield to the private sector only progressively.



Finally, with these basic conditions set down, there is still a need to reflect on the manner of reorganising production and exchanges among the various sectors of the economy to achieve self-reliance, the immediate aim of which is food self-sufficiency.

Included in the alternative to the orthodox SAPs will be the following features:

- The concepts of the model must be viable and relevant to the present Zimbabwean situation. The concepts must not be text-book theories that have no bearing to the day-to-day realities of the Zimbabwean economy and society.
- Model to be practical and easy to implement at all levels and by all nationals concerned. It should not impose unbearable hardships and suffering to the people, especially the rural poor.
- This alternative model should take, hand in hand, adjustment with long-term development objectives and strategies.
- Promoting diversification in the products that SSA countries export and increase processing capacity. This would coincide with the recognition of providing some protection to infant industries and the promotion of greater regional trade.
- Raise agricultural production and productivity substantially and rapidly, with priority for food production.
- Ensure that the increase in agricultural production is accompanied by a substantial rising of the standard of living of the peasants in the countryside.
- Promote a selective industrialisation coordinated with and sustaining the development of agriculture.
- Give the manpower in these industries wage levels that guarantee the full production of their labour power and the upkeep of their family.
- Produce firstly for the domestic market in both agriculture and industry and be oriented wholly towards mass production and value addition (in order to increase the foreign currency base).
- Recognising the need for states to play a greater role in facilitating the diversification away from traditional commodities, determining and promoting investment priorities; economic policies and planning which include a gendered analysis of various options.

- Policies that take into account environmental impacts and include sustainable natural resource use that benefits local communities.
- An emphasis on non-price structural reforms such as land reform, institutional reforms to increase democratic practice and accountability.
- At the international level, measures to reduce the debt problems of poorer countries, regulate capital markets and address unfair trading practices.

This research study, however, strongly believes that there should not be a wholesale abolition of the IMF, WB but a fundamental reform of these two institutions to ensure greater transparency, accountability, and equitable participation in the development of any programmes that will directly affect communities is essential. Restructuring the Bretton Woods institutions as advocated in this study is listed as:

- End structural adjustment agreements as presently constituted and participate in the transparent policy dialogues resulting in reciprocal sustainable development commitments for countries in the North and South.
- Halt all funding for environmentally and socially destructive mega-projects and in future ensure that loans and credits emphasise soft-path lending for people-oriented sustainable development, focusing poverty alleviation.
- Use reserves and profits of IMF and WB (including their gold reserves) to cancel or substantially reduce debts owed to them by the severely indebted low and middle countries.
- Set in place independent tribunals to arbitrate between creditors and debtors on appropriate conditionalities for financing debt relief.
- Increase transparency and access to information and carry out participatory evaluation.
- Increase accountability and liability including taking responsibility for past miscalculations and imprudent policies and projects.
- Address the growing magnitude and volatility of world currency markets, with the WB and IMF playing a role in achieving monetary stability at the international level.



- Set in place a truly independent Appeals Commission to oversee the operations of the WB and IMF with binding recommendations.

In advocating a new model for structural adjustment that takes full cognisance of the need for transformation it is important to take into account the structural characteristics of the SSA economy as elaborated in the literature review chapter, that is,

- The predominance of subsistence and commercial activities
- The narrow, disarticulated production base with ill-adapted technology
- The neglected informal sector
- The degraded environment
- Lopsided development due to the urban bias of public policies generally and development policies in particular
- The fragmentation of the SSA economy
- The openness and excessive dependence of the economies including dependence on external factor inputs
- Weak institutional capabilities and bad governance.

The realities of the international environment, for example, trade tariffs, in which the adjustment and transformation occur must be pursued. A holistic approach is called for and this should identify the principal positive and negative factors impinging on development, the human and material resources whose constructive interactions provide the dynamism for development and the network of institutions that should be fashioned to provide a suitable environment for the forces of change and development. It should also properly assess the possible interactions among the different elements during the processes of adjustment with transformation, so that appropriate strategies and policies can be formulated and implemented.

The model must be a broad framework and not a standard programme to be applied uniformly in all countries regardless of their differences, special features and specific problems. It must not take the format of J Polak's standard and rigid IMF Monetary

Model formula. It must be country-specific. The alternative to the orthodox SAPs will have the following basic features:

- The concepts of the model must be viable and relevant to the present Zimbabwean situation. The concepts must not be text-book theories that have no bearing to the day-to-day realities of the Zimbabwean economy and society.
- Model to be practical and easy to implement at all levels and by all nationals concerned. It should not impose unbearable hardships and suffering to the people, especially the rural poor.
- This alternative model should take, hand in hand, adjustment with long-term development objectives and strategies.
- For the model to be effectively operational, it must, right at its conception and formulation involve all the people at all levels.

### **5.2.1 Characteristics of the Proposed Model**

The framework that is being proposed is based on three sets of macro-entities, namely, the operative forces, the available resources and the needs to be catered for. The operative forces (which could be positive or negative; internal or external; temporary or permanent) are political, economic, scientific and technological, environmental, cultural and sociological. These, together act on the general pattern and rate of development.

Examples of these include:

- The system of government
- Public enterprises
- The private sector
- Domestic markets
- Non-governmental organisations
- Research and development
- Forces of nature and climatic conditions
- Ethnicism and society's value system
- External commodity markets
- Finance
- Transnational corporations



With respect to resources, the main categories that have to be taken into account in the framework include:

- a) Human resources especially in terms of quality and skill mixes
- b) Natural resources especially land, water, wildlife and forests
- c) Domestic savings
- d) External financial resources

In line with the thrust of human-centred adjustment and transformation, the needs that should be elaborated in the context of the proposed framework include mainly the vital goods and services and the ability to acquire them. All such goods and services that fall into the category of luxuries and military hardware (a favourite of most leaders in SSA countries) should be seen as falling outside the parameters of the framework.

In a formalised formulation, the proposed alternative to SAPs can be expressed in three modules. The first module specifies that the interaction of certain specified forces with the level and pattern of allocation of resources will determine the type, and quantity of the different categories of output. It is in this module that the different sets of relationships (specific to each country) in the process of producing goods and services and generating factor incomes including aspects such as the efficiency and productivity of resources would be defined. The second module stipulates that forces are also at play in characterising the distribution of output and in determining the level and pattern of allocation of factor income. As in the first module, it is in this module that the different sets of relationships (again specific to each country) dealing with income distribution would have to be specified. The third module specifies that there is a set of operative forces which interact with the level of income and pattern of income distribution to determine the degree of domestic satisfaction of the needs and external transactions with the rest of the world including exports, imports, debts, aid and resource flows. As in the first two modules, it is in this module that the sets of relationships dealing with the elements of domestic demand and transactions with the rest of the world would have to be specified for each country.

A few points need to be emphasised about some general properties of the alternative model. First, all the macro-entities are individually and collectively dynamic over time and space. Overtime, the operating forces will change in composition and interactive importance of the different components will shift. Also, the resources available or needed will change with time in terms of composition and relative importance. Similarly, the needs of society are not static since, with development, the resultant changes in society's total needs will generate a new set of normative or perceived needs. All the forces, resources and needs in the new SAP model will also change over space in the sense that the nature of their interactions will become different depending on whether one looks at them from the point of view of one national economy or from the perspective of country and subregional groupings.

Secondly, the entire system, consisting of the three modules, must be seen as dynamically interactive. One example of the interactive nature of the system is that the levels or values of variables relating to transactions with the rest of the world will affect the levels of some of the resources which, in turn, will affect the level and structure of the factor product generated as well as its distribution. The existence of gaps between the needs that have to be catered for and the actual product mixes might necessitate adjustments in the parameters and values of variables relating to the factor income generation and for allocation so as to ensure the closing of the gaps.

Finally, what is presented here is only the framework that will enable Zimbabwe and SSA countries to identify the major components of the forces at play, the needs of society, the resources required and the principal interactions and relationships among these. It does not constitute a standard formula or model that would generate standard policy prescriptions irrespective of the peculiar circumstances of a given country. On the contrary, the framework is broad and flexible enough to be used along with selected policy directions, for the specification of appropriate models and the subsequent design of programmes for individual SSA countries including Zimbabwe, taking into account the specificity of social and economic structures.



However, the framework can be expressed in terms of three modules that capture the relationships between the processes of production, income distribution and the satisfaction of the needs.

### **Module 1**

Module 1 should be used to define production functions in which the relevant parameters operate on such resources as human, natural and financial, to determine various outputs.

The module is presented in this manner:

$$Y = f(F1, R)$$

Where:

- **Y** represents total output by category of goods and services. These categories could include sectoral classifications such as agriculture, mining, industry, services. Disaggregation of these categories could also be made such as food and non-food for the agriculture sector, consumer manufactured goods, intermediate and capital goods for industry.
- **F1** is a set of parameters representing the relative effects of the different forces on the pattern and level of output. Such parameters may relate for example to agricultural technology, weather conditions, research and organisational infrastructure
- **R** represents the set of available resources to be applied in the production of the different categories of output ( these could include human resources, natural resources, land, water resources, domestic savings and external financial resources).

### **Module 2**

Module 2 should be used to define income distribution function in which relevant parameters operate on the generated output to determine the income of various institutions. The module is presented in this manner:

$$I = f(F2, Y)$$

Where:

- **I** represents income of various institutional groups such as households, enterprises and government.

- **F2** represents a set of parameters related to the effects of different forces on the pattern and level of income distribution. Such parameters may relate for example to rural-urban terms of trade, the pattern of land ownership and labour structure.
- **Y** is as defined in Module 1.

### **Module 3**

Module 3 should be used to generate expenditure functions for the satisfaction of essential needs, given the pattern of domestic production and the pattern and level of income. In these equations, the relevant parameters operate on the level of income of various institutional groups to determine the types and degree of satisfaction of the needs.

The module is presented in this manner:

$$N = f(F3, I, E)$$

Where:

- **N** represents individual and collective needs, that is, vital goods and services such as food, social services and basic infrastructure.
- **F3** represents the indices of forces that are relevant in the determination of the different needs, for example consumption patterns, degree of poverty and the structure of production determining the needed intermediate inputs.
- **I** is as defined in Module 2.
- **E** represents the gaps between production and needs thus concomitantly defining all variables relating to transactions with the rest of the world such as exports, imports and debt.

### **5.2.2 Critical Focus of the New Model for Adjustment**

From the above general presentation of the basic model, it is evident that the different categories of forces play a major role in the process of adjustment with transformation. These do not only influence the level and structure of what is produced, but also determine the distribution of wealth among various institutional sub-groups such as households, government, enterprises and other identifiable socio-economic groups. The social dimension of adjustment with transformation is a prominent focus of the alternative model which is based on employment generation for the majority of the

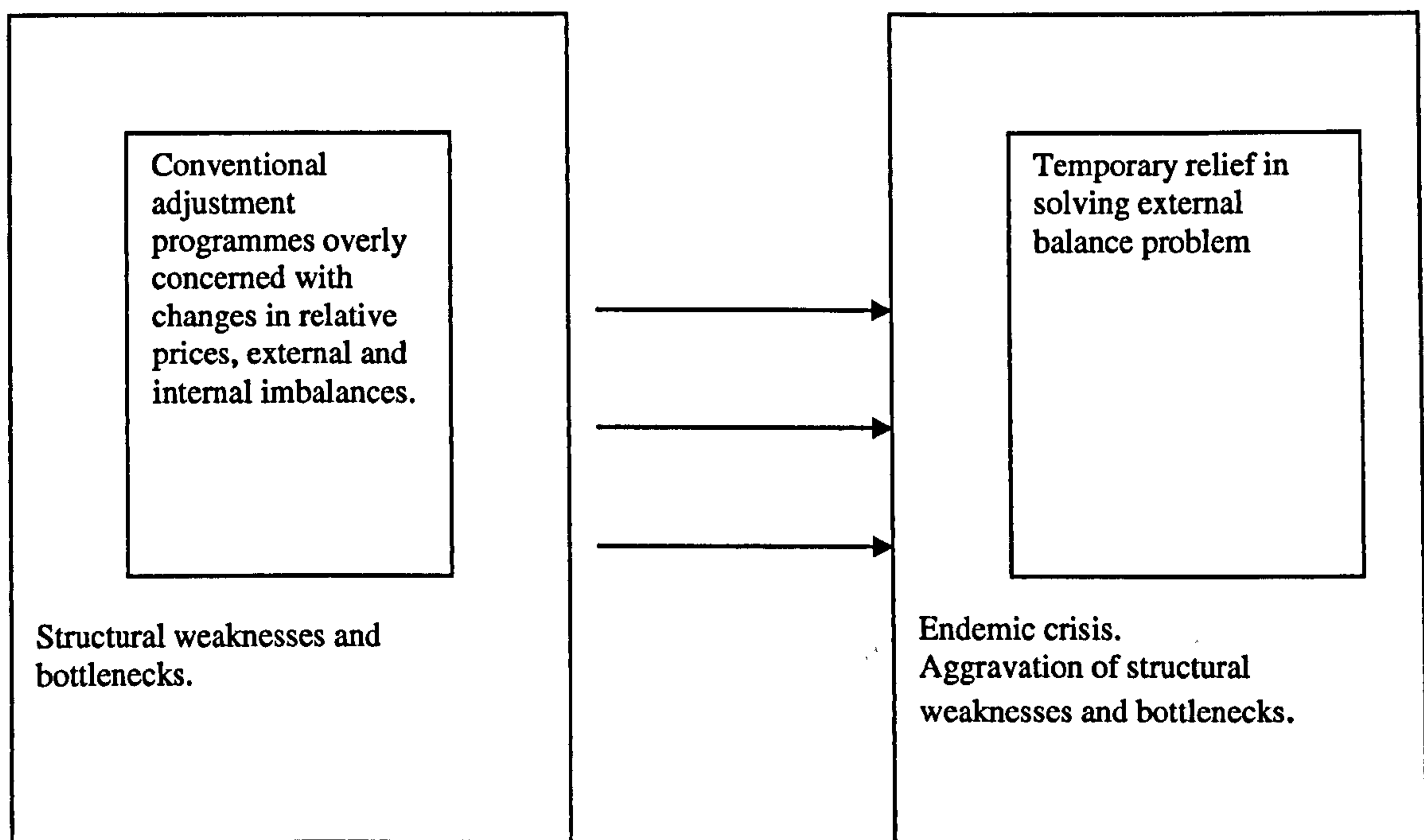


population, equitable income and resources distribution especially to households and vulnerable groups.

It must be re-emphasised that the proposed model is in sharp contrast to the models that underlie the orthodox stabilisation and structural adjustment programmes, and thereby underscores the inherent weaknesses of the later. In conventional programmes, the many important social and economic interactions are often ignored or marginalised. For example, in the income generation process, conventional programmes ignore the important forces of domestic demand as they mainly focus on the production of primary export commodities. The model of conventional stabilisation and adjustment programmes does not include the aspects of income distribution thereby marginalising the role of the institutional set-up especially with respect to the different socio-economic groups.

From such weaknesses of conventional programmes, derive the sequencing of the ongoing adjustment process. This sequencing, which is illustrated in figure 5.1, shows

**Figure 5.1 Sequencing of the Orthodox SAP**



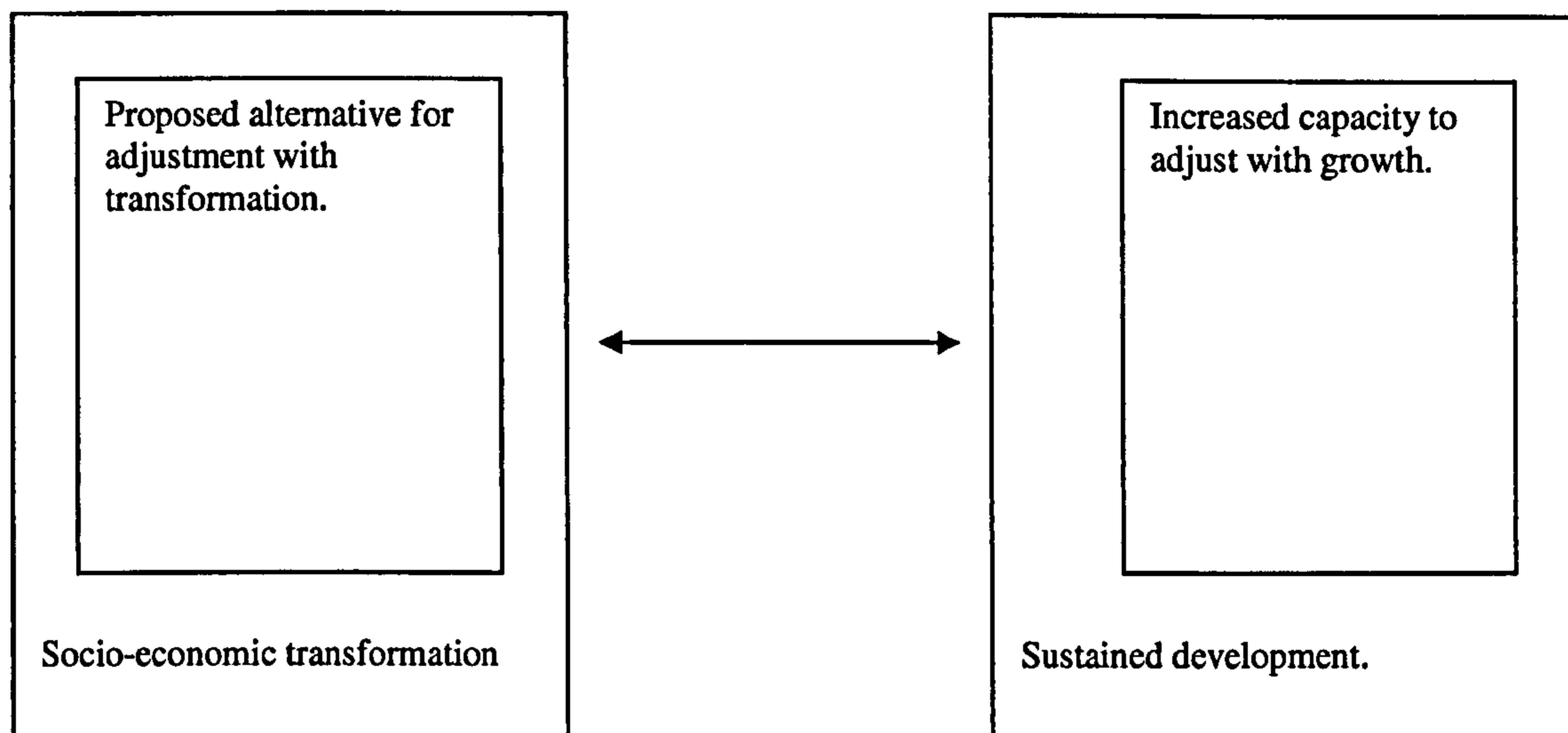
that the path of orthodox adjustment proceeds from a crisis situation, in which structural weaknesses, bottlenecks and hostile economic international environment tend to compound the problems of economic decline, rising external dependence, collapse of the rural economy, capital flight and brain drain, mass poverty and increased immiseration, to a situation of temporary relief from problems of financial disequilibria but without improving the structural weaknesses of the economy. This is the current situation in Zimbabwe.

Taking into account the structural weaknesses that lead to the perpetual emergence of crisis situation in SSA countries, the path of adjustment with transformation should aim at simultaneously strengthening the process of the generation, distribution and expenditure of national income. The critical focus of the framework for adjustment with transformation is that of more human-centered development process in which productive forces are given a prominent role, and resources are used so as to bring about the transformation of the SAA economy from a primarily exchange economy to a production economy. With respect to the process of income distribution, the main focus of the framework is that of ensuring a greater and more effective involvement of socio-economic institutional groups in the process of adjustment and transformation. Finally, the focus with respect to the needs is primarily on the production and accessibility of essential commodities and services, the production of essential factor inputs and the maintenance of increased investment levels.

The above outlined critical factors in the process of adjustment with transformation, if relentlessly pursued, cumulatively leads to sustained development while providing the necessary capacity to adjust to changing domestic and external circumstances. This more appropriate sequencing of adjustment is illustrated in figure 5.2. The sequencing leads to a simultaneous improvement in the capacity to adjust and restructuring of the economy.



**Figure 5.2 Sequencing of the Proposed Alternative Model**



The sequencing outlined here and which derives from the new framework, involves an important additional aspect of feedbacks that are always inevitable in the application of policies as stimuli for change. The framework recognises that its operationalisation through policy implementation does have feedbacks on the nature operational forces and their interactions with resources and on the satisfaction of society's needs. It is in this sense that the framework seeks, additionally, to incorporate the dynamics of adjustment with transformation, thereby enabling a more appropriate conceptualisation of the efficacy of policy directions and instruments to be applied.

### **5.2.3 Policy Directions and Instruments**

This section sets out to operationalise the alternative model by recommending the policy directions, instruments and measures which Zimbabwe and SSA countries should adopt for their own peculiar and unique circumstances.

This alternative to the orthodox ESAP incorporates a number of policy areas which form part of many of the existing SAPs, and on which some broad consensus seems to have emerged. The most important of these include:

- a) Improved financial management and efficiency of public enterprises and tighter financial accountability.

- b) Improved agricultural incentives
- c) Export diversification, mainly in processed agricultural products
- d) Improved external debt management

Incorporated will be a number of areas on which consensus has yet to come out. These include the issues of complementarity in exchange rate and trade policies, the fallacy of composition in respect of competitive stimulation of the same range of traditional export crops in SSA countries and the sustainability of non-autonomous resources to support adjustment. The proposed EASP framework, given its holistic approach, naturally addresses all these issues in a coherent and integrated manner rather than merely treating them in isolation or as remedial additions to existing adjustment programmes. Adjustment must be seen as part of a continuous process of transformation rather than as a discontinuous exercise on its own. Consequently, the siege-mentality of ad hoc crisis management approach must yield place to the long-term needs of transformation since adjustment policies and measures are unlikely to yield any full and enduring benefits outside the context of transformation. It is in this framework that the major policy directions outlined below must be pursued:

**a) Enhanced production and efficient reserve use.** Involving the systematic avoidance of constraining productive capacity for the mere purpose of achieving financial balances. In as much as the resources involved can be allocated and utilised efficiently and productively, the logic of always having to balance the budget at the expense of growth and production must be revisited.

**b) Greater and more efficient domestic resource mobilisation.** It must be known that, currently, there are too many financial leakages, that is, fiscal, monetary external payments, capital flight, all of which need to be plugged in order to enhance resource mobilisation for investment and budgetary expansion. This is all the more important in view of the uncertainties surrounding the external resource flows to SSA and the increasingly stiff conditionalities attached to such inflows. Even if such resources could be attracted, it is almost certain that the terms and conditions on which they would be



made available would be such as to offer mere temporary relief to the SSA countries and serve more to aggravate and deepen their structural problems and deficiencies.

**c) Improving human resources.** One important aspect of this policy direction is that reductions in budget deficits must not be accomplished at the expense of expenditures on the social and productive sectors like, education, health, agricultural extension and other social infrastructure, including the maintenance of law and order which are prerequisites of an enabling environment. Realising the scarcity of human capital as a limiting factor on the enabling environment for transformation in SSA and of relative neglect of this sector during the 1980s dictate that efforts must be made to ensure that an annual average of at least 30% of total government outlay is devoted to the social sector and the annual rate of growth of social investment is significantly higher than the population growth rate.

**d) Strengthening scientific and technological base.** The medium and long term perspectives of structural transformation require an adequate scientific and technological base essential for transforming national raw materials in the form of agricultural products, minerals, forestry and aquatic resources into consumable goods and services both for local and export markets. The strategy for achieving these objectives and the main issues involved are:

- i. Having national socio-economic plans on science and technology policies which reflect the role, development and application of science and technology essential for meeting the socio-economic needs of the people.
- ii. Enhancement of indigenous capacity to deal with the development and application of science and technology by strengthening the scientific and technological infrastructures, by establishing a technologically-focused educational system, by improving the quality of manpower training, by linking production with indigenous research efforts, and by having appropriate personnel and mechanisms for commercialising the results of research undertaken at in universities and research institutes.
- iii. Finding alternatives to the export of raw materials by the development of new products and processes and ensuring the competitiveness of SSA products in view

of the advent of new and emerging science and technology which has a direct impact on SSA products and raw materials and the bio-engineered products that are supplanting SSA's basic products on the world market and affecting adversely their competitive base.

- iv. The development of an indigenous capacity of a harmonised sub-regional and regional policy that will enable the implementation of joint multi-national projects and the optimisation of available scarce resources.

**e) Establishing a pragmatic balance between the public and private sectors.** In determining such balance, the main criteria should be the availability of local entrepreneurial capability and the optimum social and economic rates of return on investment. It should, however, be noted that there are areas such as the building of the physical, human and institutional infrastructure, environmental protection and conservation as well as the provision of essential services in which the public sector has a role to play, especially given the present level of development in SSA countries. But where the state has over-extended itself, particularly in non-social services and non-strategic sectors, selective privatisation should be considered.

**f) Creating an enabling environment for sustainable development.** This policy direction includes a number of important factors among which are broad participation in decision-making, consensus building, maintenance of equity and justice, elimination of civil strife and instability, facilitation of access to opportunities for all, and creating a favourable investment climate. In line with the policy direction in (e) above, the enabling environment should incorporate the issue of encouraging entrepreneurship and the effective contribution of the private sector and grassroots initiatives to the development process through consistent policies and appropriate incentives.

**g) Shifting of resources.** This policy direction aims at minimising non-productive expenditures and excessive military spending. In Zimbabwe and SSA, where needs are greatest, social priorities have increasingly taken a second place to defence spending. The significance of budgetary disparities between public welfare and defence is illustrated by



estimates which show that, in the mid-1980s, developing SSA spent less public resources on education and agriculture than on the military.

**h) Improvement in the pattern of income distribution among different socio-economic categories of households.** This constitutes an important element of adjustment with transformation as it has direct impact on the size of domestic markets for domestic products and the alleviation of mass poverty. It should be reiterated that to pursue this policy direction also entails ensuring that, in the generation of output, the poor and the disadvantaged will have increased access to the means of production, especially land.

**i) Food self-sufficiency.** Policy emphasis will have to be put on achieving a proper balance between the food sub-sector and the production of agricultural export commodities. This will have to necessarily reverse the present trends of adopting policies that tend, especially in terms of price incentives, to create a bias against the food sub-sector and to favour the production of export commodities.

**j) Lessening import dependence.** In order to ensure a sustained and sustainable satisfaction of the critical needs of the population, it is necessary to move away from the present situation whereby most of the essential needs, intermediate inputs and capital goods in Zimbabwe and SSA countries are generally satisfied from imports.

**k) Re-alignment of consumption patterns with production patterns.** This will call for a change in consumption habits so that the people will start to consume more of what is domestically produced, especially in the areas of food, clothing, housing and other essential necessities. It is important also that the opportunities for exchange and trade in basic food staples and in other essential goods be widened both at national and sub-regional levels, with a view to enhance national and sub-regional collective self-reliance.

**l) Managing debt and debt-servicing.** In order to release the scarce and badly needed foreign exchange resources, it is imperative to establish strong debt management systems. This would involve, inter alia, a continuous assessment of payment capacity in the short

and long term. It would also have to entail the rationalisation of debt accumulation by concentrating future external loan resources on productive projects that have quick and high returns with substantial foreign exchange component.

#### **5.2.4 Issues to be Modified and Avoided in the new Strategy of ESAP**

The policy directions outlined above will necessitate the use of a number of policy instruments and measures for achieving the goals of adjustment with transformation. These also call for the modification or avoidance of the orthodox structural adjustment measures. It is because these policy instruments and measures will have negative impact on adjustment with transformation. Although they might provide temporary relief in respect of internal and external financial balances, they are more likely to aggravate the crisis in the long-run, particularly if non-autonomous resource flows to the countries concerned were to dry up.

The policy instruments and measures that must be modified under the alternative ESAP model are summarised in table 5.1. These include:

- Practices that lead to excessive dependence on the market mechanism; total price and import liberalisation
- Doctrinaire privatisation
- Inflation-adjusted interest rates
- Across the board credit squeeze
- Total elimination of subsidies
- Generalised devaluation
- Indiscriminate promotion of traditional exports.
- Deflationary budgetary measures, especially drastic reductions in public spending.



**Table 5.1 Instruments and Measures to be Modified**

Description of Policy Instrument and Measure	Impact for Adjustment with Transformation
Drastic budgetary reductions, especially with respect to expenditures and subsidies on social services and essential goods.	Undermines the human conditions, the enabling environment and the future potential for development; necessitates massive retrenchment in the public sector.
Indiscriminate promotion of traditional exports through price incentives offered only to the tradeables.	Undermines food production and self-sufficiency, and can lead to undesirable environmental degradation; could result in over-supply and fall in prices.
Across the board credit squeeze	Leads to overall contraction of the economy; declines in capacity utilisation and closure of enterprises; and an accentuated shortage of critical goods and services.
Generalised devaluation through open foreign exchange markets, currency auctions and large and frequent currency depreciations	Leads to socially unsupportable increase in prices of critical goods and services; raises the domestic cost of imported inputs and undermines capacity utilisation; triggers general inflation; diverts scarce foreign exchange to speculative activities and exacerbates capital flight; worsens income distribution patterns; undermines growth and can result in structural entrenchment of traditional exports through price incentives for such commodities or tradeables
Unsustainably high real interest rates (inflation-adjusted nominal rates of interest).	Shifts the economy towards speculative and trading activities by becoming a disincentive to productive investment; fuels inflation.
Total import liberalisation.	Leads to greater and more entrenched external dependence; intensifies foreign exchange constraints; jeopardises national priorities such as food self-sufficiency; erodes capacity of infant industries and thereby slows industrialisation.
Excessive dependence on market forces for getting the prices right in structurally distorted and imperfect market situations.	Worsens inflation through sharp rises in production costs and mark-ups; causes deviations from desirable production and consumption patterns and priorities, and may derail entire process of transformation.
Doctrinaire privatisation.	Undermines growth and transformation; jeopardises social welfare and the human conditions.

**5.2.5 The Desirable Policy Characteristics**

In line with the proposed ESAP Model the desirable policy characteristics are categorised into four groups and the action taken to achieve these are as shown in the following tables:

**Table 5.2a Strengthening and Diversifying Production Capacity.**

Description of policy instrument and measure	Impact for adjustment and transformation
Land reforms for better access and entitlement to land for productive use; and the modernisation of the food production sector.	<p>Increased production and opportunities for gainful employment; poverty alleviation and more equitable income distribution.</p> <p><b>Action:</b> Access to land must be secured to all and be equitable for all. (This must be on the basis of their capabilities to farm). Where big landowners exist a fair allocation should be encouraged. Landowners to be used as nucleus for training the new settled farmers. Government to acquire land with the assistance of regional and international financial institutions. Ministry of Agriculture (which is properly funded), via the department of agricultural extension, to be charged with overseeing and implementation of these activities.</p>
Devoting at least 20-25% of the total of public investment to agriculture.	<p>Improved rural infrastructure and agricultural institutions; increased agricultural productivity; expansion of rural employment.</p> <p><b>Action:</b> Decentralisation (to the rural areas) of government activities and giving incentives to the private sector to do the same will see improvements in roads, telecommunications, banking facilities, education and health sectors. Agricultural institutions including extension, research, markets, and input supply to be well funded and supported.</p>
Allocation of an increasing share of foreign exchange for imports of vital inputs for agriculture and manufacturing sectors; expansion of agricultural and industrial employment; increased domestic output of essential commodities and avoidance of import strangulation; and increased inter-linkages between agriculture and industry.	<p>Satisfaction of critical needs.</p> <p><b>Action:</b> Farmers who export crops to be paid a certain percentage of their earnings in foreign currency – this to be used to import essential farm machinery, and inputs. Agricultural companies to have easy access to foreign currency for the procurement of raw materials and crucial agricultural inputs. Central government, via the exchequer and Central Bank to put measures for the supply of foreign currency.</p>
Sectoral allocation of credit using credit guidelines that would favour food sub-sector and the manufacture of essential goods	<p>Increased production of food and essential manufactured goods; increased gainful employment.</p> <p><b>Action:</b> Farmers and agricultural companies to have access to loans with subsidised interest rates. Ministry of Finance via the Land Bank and Reserve Bank to supply and co-ordinate funds.</p>
Adoption of investment codes and procedures tailored to the promotion and development of small-scale industries.	<p>Better enabling environment with greater involvement of local entrepreneurs. .</p> <p><b>Action:</b> Poverty reduction through growth requires a focus on the indigenous sector which in SSA is composed of a myriad of micro, small and medium enterprises, including the most numerous – the family farm. Together, these are the primary source of jobs and economic opportunities. Government through developed countries to set up a Fund to support private sector initiatives that contribute to small enterprise development by giving them better access to markets</p>



<p>Use of selective nominal interest rates in such a way that interest rates on loans for speculative activities would be greater than the rates on loans for productive activities and resulting weighted real interest rates for savings would be positive.</p>	<p>Increased mobilisation of domestic savings; reduction of speculative activities; shifting resources in productive activities.  <b>Action:</b> There will be need for expenditure-switching in the form of curtailment of government expenditure on defence and non-productive activities, removal of subventions to parastatals other than those in the social or nationally-strategic basic industries, and the limitation of debt service ratios to proportions that would not be detrimental to productive activities so as to ensure growth.</p>
<p>Creation and strengthening of rural financial institutions.</p>	<p>Increased mobilisation of rural savings and improved financial intermediation.  <b>Action:</b> Instruments for lending to farmers who lack collateral must be developed, for example, by using group schemes, or joint liability. The strategy must also encourage private and cooperative saving and loan institutions in rural areas. Government and IFIs to fund and coordinate activities with the involvement of the people to be affected and benefit.</p>
<p>Rehabilitation and rationalisation of installed productive and infrastructural capacities; and selling up of an effective national maintenance system.</p>	<p>Fuller capacity utilisation; economic growth; savings in foreign exchange.  <b>Action:</b> Major shift required in direction of building African capacity to manage through expanded training, support to educational institutions in Africa and support to learning by doing. All IFI and NGO projects to include such capacity-building efforts as a centrepiece. Related to capacity-building is the idea of liberating and using existing African capacity, by removing constraints to private sector and local community participation in economic management.</p>
<p>Utilising the existence of multiple exchange rates systems in a rationalised manner and/or creating and streamlining such a system for purposes of resource transfers, resource mobilisation and reversal of capital flight and ensuring availability of essential imports.</p>	<p>Encouragement of capital inflows, especially by nationals working abroad, and discouragement of capital flight; improvement in balance of payments; satisfaction of critical needs.  <b>Action:</b> The programmes of adjustment with transformation should be such as to reduce inflationary pressures which give rise to a number of social and economic distortions such as diverting activities away from productive investment to speculation and financial manipulation; worsening income distribution patterns; capital flight and reduced savings. People living in the Diaspora should not be shunned upon – they should be given incentives to invest in Africa. They should be allowed to participate in politics by being allowed to vote in parliamentary elections.</p>
<p>Creation of a special fund for loans at subsidised interest rates to certain groups of economic operations</p>	<p>Encouragement of greater productive activity.  <b>Action:</b> It is such a consideration that has led to the proposal that different interest rates should be adopted on loans for speculative activities and production activities. The choice of these different rates should be such as to ensure that the weighted average of the two borrowing</p>

	rates, that is, on speculative loans and loans for real production, for example, agricultural production.
--	---

**Table 5.2b Improving the level of income and the pattern of its distribution**

<b>Description of policy instrument and measure</b>	<b>Impact for adjustment with transformation</b>
Enlarging the tax base, improving efficiency and probity of the tax collection.	Increased government revenue. <b>Action:</b> Increased tax on luxuries (including those imported) like vehicles, alcohol, cigarettes, electronic gadgets. An additional and potentially important source is from rising of finance internationally through levies or lotteries. One example is a voluntary levy on airline tickets to reflect some of the costs inflicted by carbon emissions.
Reduction of government expenditure on defence as much as possible and on non-productive public sector activities.	Release of resources for investment; improvement in resource allocation; improvement in balance of payments. <b>Action:</b> Whatever the growth engine, a long-term vision is essential. Promoting economic diversification within and across sectors is key to SSA countries to become less vulnerable to external shocks and achieve sustained growth.
Removal of subventions to parastatals other than those in the social sector and nationally strategic basic industries.	Release of resources for productive investments; better fiscal balance. <b>Action:</b> Agricultural parastatals having purely commercial activities should be divested over time to the private sector. Privatisation should start with these commercially-oriented enterprises. Private enterprises generally perform better.
Use of limited, realistic and decreasing deficit financing for productive and infrastructural investments that have little import content.	Sustaining growth through support to relevant production units. <b>Action:</b> Priorities must be to achieve good governance and peace and security which together provide the foundation for development in all its aspects. Without better governance and growth, SSA will not achieve any of its goals.
Guaranteed minimum price for food crops managed through strategic food reserves.	Food production on a sustained basis; assured income to farmers; increased access to food for majority of the population; control inflation. <b>Action:</b> Pillar of the new strategy is to undertake policy change necessary to make agriculture, agro-industry and related services profitable. This profitability will be the main element to stimulate the private sector (including small scale farmers) to invest in agriculture, agro-industry, marketing, input supply and credit via (a) price exchange rate, and market policy reform, generally in the direction of liberalisation; (b) liberalisation of the regulatory environment, financial market reform, development of private and cooperative banking; (c) improvement of the legal establishment and the rule of law; (d) privatisation and /or restructuring of agricultural parastatals and agricultural services which can operate commercially.



**Table 5.2c Pattern of expenditure for the satisfaction of needs**

Description of policy instrument and measure	Impact for adjustment with transformation
<p>Expenditure-switching (without necessarily increasing total government spending) to raise government outlays on the social sectors, particularly those aspects of education, health and the integration of women in the development process that are likely to increase productivity, such that an average of 30% of total annual government outlays are devoted to the social sectors; and thereafter to maintain a growth rate in public outlays on these sectors at above the population growth rate.</p>	<p>Satisfaction of critical social needs, investment in human capital; raising living standards of majority of the population.  <b>Action:</b> The future development strategy calls for a new commitment to developing SSA's human resources. Two immediate priorities: improve the quality and relevance of education at every level and to redirect public resources toward basic education and health care, including family planning. African countries should realistically aim for universal food security, primary education and primary health care.</p>
<p>Selective policies through subsidies, pricing policies to increase the supply of essential commodities required for maintaining a socially-stable atmosphere for development.</p>	<p>Increase affordability of essential goods and services as well as critical intermediate inputs; increased production of industrial raw materials; control of inflation.  <b>Action:</b> This will involve a more intensive use of chemical and organic inputs; the integration of livestock into farming systems to use animal power and manure; the introduction of new higher-value crops; better irrigation methods; hand tools, and crop storage techniques; and improved animal and crop husbandry. Policy environment will need to make these changes to farmers. Better rural infrastructure, particularly roads, would make it easier for farmers to obtain inputs and market crops; it would also give rural families better access to consumer goods.</p>
<p>Selective use of trade policy, including banning of certain specified luxuries, high tax rates on conspicuous consumption and competitive factor inputs that have domestic substitutes; and mass education towards consumption of domestic goods.</p>	<p>Changes in consumption patterns; enlargement of markets for domestic goods; changes in production patterns; internalisation of production of factor inputs; improvements in balance of payments.  <b>Action:</b> African agricultural strategies must be responsive to opportunities. Responsiveness to domestic and external market demand (which changes rapidly), to the development of new products and processes, and to the acquisition of technological improvements which increase efficiency and cut costs are likely to be critical for Africa.</p>
<p>Strengthening intra-Sub Sahara African monetary and financial cooperation as well as payments and clearing arrangements.</p>	<p>Increased diversification; reduced vulnerability to fluctuations in commodity prices; export growth and increased export earnings.  <b>Action:</b> Much more of the task of managing and financing agricultural services will have to be done by farmer groups because of the inability of governments to manage and finance all rural development activity, and because of the present absence of a strong private sector in most SSA. It has been found that in most ex-post agricultural project design and execution it is a frequent ingredient of success. Cooperative-owned enterprises are the common formal farmers' organisations, recognised by law in most countries.</p>



Differential export subsidies; removal of trade barriers; and encouraging barter trade to intra-SSA trade.	<p>Reduced external dependence and better product mixes and integration in SSA.</p> <p><b>Action:</b> The commodity price booms of the 1980s are unlikely to be repeated. Commodities for which some improvements are expected include coffee, tea, sugar, beef, maize, cotton, rubber and logs. Most fruit, vegetable prices, though not all, will continue to be relatively solid. In a situation of rapidly-declining real prices, only the most competitive or the most subsidised producers can continue to operate. Cutting the cost of producing and processing primary commodities has become common.</p>
Specific export incentives for processed exports and carefully selected primary commodities.	<p>Increased diversification; reduced vulnerability to fluctuations in commodity prices; export growth and increased export earnings.</p> <p><b>Action:</b> Finding alternatives to the export of raw materials by the development of new products and processes, and ensuring the competitiveness of African products in view of the advent of new and emerging science and technology which has a direct impact on African products and raw materials. This would necessitate export re-orientation, involving the widening of the existing narrow range of exports and export markets to include an increasing share of processed commodities and manufactured goods, and refocusing on SSA markets.</p>
Bilateral and multi-lateral agreements on primary commodities.	<p>Improved and more stable balance of payments.</p> <p><b>Action:</b> Countries, especially those belonging to the same economic grouping or sub-region, should make all efforts to avoid duplication of production units beyond the capacity of the potential market. They must also pool their resources with a view to optimising output.</p>

**Table 5.2d Institutional support for adjustment with transformation**

Description of policy instrument and measure	Impact for adjustment with transformation
Creation of adequately funded supervised food production credit systems in rural areas with easy access by farmers in terms of limited collaterals.	<p>Sustained increase in food production and adoption of technologies to reduce vulnerability to weather through increased investments in areas like small irrigation schemes.</p> <p><b>Action:</b> To achieve food security, food production will have to grow at about 4% per year. The necessary productivity gains can come only from technological change. This will involve a more intensive use of chemical and organic inputs; the introduction of new higher-value crops, better irrigation methods, hand tools and crop storage techniques and improved animal and crop husbandry. Greater security of land tenure would encourage investment and land conservation.</p>
Strengthening agricultural research focused on production; creation of extension services and systems for the diffusion, application and operationalisation of research.	<p>This will accelerate process of achieving a green revolution in SSA especially in the five food crops that are basic to food self-sufficiency in the region (maize, sorghum, millet, rice and edible tubers) as well as accelerate the building up</p>



	<p>of a viable industrial base.</p> <p><b>Action:</b> Better technology will be essential to achieve the targeted growth in output of 4% a year over the medium and long run. It is urgent priority for SSA to rehabilitate its agricultural research institutes and tough action on the part of result-oriented managers is required so that they can once again perform their critical role of creating, adapting and disseminating improved agricultural technology. Multiple donor-financed extension services in the same country have often caused confusion and have made the development of efficient national extension programmes more difficult. Government to co-ordinate extension activities while donors contribute financially</p>
<p>Creation of rural institutions to support cottage industries and small scale industries with emphasis on indigenous technology, domestic finance, rural infrastructure.</p>	<p>Promotion of integrated rural development; enhancement of the attractiveness of rural areas; promotion of rural technological development; employment generation.</p> <p><b>Action:</b> Informal farmers' groups can and do undertake all of the activities of cooperatives. In many cases, informal groups existed in traditional societies, and these can in some cases manage agricultural services and form the basis of rural development groups and or industries. Small owner-operated enterprises that function outside the official regulatory framework contribute substantially to employment and productivity. The informal sector thrives because of its responsiveness to market forces and because of its close links with grassroots institutions.</p>
<p>Legislation of a clear framework of ownership and participation of the different socio-economic groups such as rural cooperatives, artisans and traders.</p>	<p>This will enable popular participation in production, marketing and development in general; and the strengthening of the informal sector and its ultimate integration into the mainstream of development.</p> <p><b>Action:</b> In most SSA countries, the informal economy is larger than the formal one. But people in most rural areas have no title to the land they occupy or farm. Governments should assist the evolution of land tenure systems by providing legal and administrative mechanisms to ensure greater security of tenure.</p>
<p>Establishment of community development institutions especially indigenous NGOs and self-help programmes.</p>	<p>Will enable the use of direct community labour on a voluntary basis for the provision of rural infrastructure such as feeder and access roads, health centres and dispensaries, school buildings and small irrigation schemes.</p> <p><b>Action:</b> Government owned and managed commercial activities should be divested over time to the private, cooperative and local NGO sectors. Government funding (including from the donor community) is necessary in order for local NGOs to function. Agricultural extension projects, ongoing and planned need to include a bigger role for these NGOs.</p>
<p>Greater mass participation in decision- making and implementation of programmes.</p>	<p>Greater confidence of the people in their own societies and government; greater commitment to and sacrifices for development; more efficient of highly motivated human resources.</p> <p><b>Action:</b> For this to be successful and effective it must,</p>

	right at the onset and formulation involve all the people at all levels. That is, it must take and use the bottom up approach
--	---

**Figure 5.3 Comparisons of the Orthodox IMF/WB Model and Alternative Reform Model**

<b>Orthodox IMF/WB Model</b>	<b>Proposed Alternative Framework/Model</b>
Improve government management capacity	Pluralism: bring in private, cooperative, NGO, foreign and domestic actors – and build government capacity in a limited number of areas only
Technical assistance – a major management tool	Training, education, learning by doing
Policy improvement, tax, price, subsidy, exchange rate, marketing	Same; plus expanded agenda to land tenure, farmer empowerment, natural resource management, women's issues, public expenditure allocation
Government provision of credit to agriculture	Financial market development – assisted to serve agriculture, including through private and cooperative banks
Create and strengthen parastatals	Strengthen private and cooperative enterprises, privatise parastatals
Natural resources exploitation (logging, fisheries, plantation)	Natural resource management – for conservation and sustainable use
Engineering solutions/supply-driven	People participation and incentives – respond to demand
Large-scale infrastructure projects, government implementation	Large and small-scale infrastructure projects, with people's participation and private sector contractors
National agricultural services	National services and multi-country cooperation
Trade and policy reform from national perspective	National and regional (multi-country) reform perspectives
Each donor and NGO follows own perspectives	Donor and NGO collaboration
Agriculture focus on policy and technology	Expand agriculture focus to include social services, infrastructure, natural resource management, food security

It is perhaps worth repeating that the policy packages that individual countries will adopt under the new ESAP model in respect of the on-going crisis on the African continent will vary from country to country. It is left to each country, taking into account the peculiar circumstances of its development process, to design its own policy package within this overall thrust and model and to articulate the appropriate mix of complementary policy



measures and instruments for achieving the goal of adjustment with transformation. It will, however, always be necessary to ensure the consistency of the political framework with macro-framework and the policy directions, instruments and measures.

In order to keep the policy instruments and measures in Tables 5.2a to 5.2d in proper perspective, they should be read and viewed in the context of the sequencing of the process of adjustment with transformation illustrated in Figure 5.2 whereby the economy, through appropriate changes in policy directions and through the adoption of appropriate policy packages deriving from the proposed model, achieves adjustment and transformation simultaneously.

It should also be clear from the proposed policy directions and instruments and measures that national packages and programmes of adjustment with transformation will have to be much less dogmatic and much more pragmatic than orthodox programmes have been on the question of the role and size of the public sector. A judicious mix between expanded private initiatives and efficient government interventions is needed to create an environment that would enable both the private and public sectors to thrive and contribute effectively to the growth and development process. Government interventions in Zimbabwe as well as in SSA have so far become discredited, not because there is an effective alternative in the form of efficient market mechanism but because of inefficient management, poor results and misallocation of resources. There is little doubt, therefore, that efforts must be made to improve the efficiency of the public sector and to ensure that government interventions are properly targeted and government-determined priorities are effectively pursued.

It is vital not only that Zimbabwe and SSA countries adapt and use the proposed ESAP model in designing their adjustment programmes, but that bilateral and multilateral donors also create the conditions that are necessary for the successful implementation of such programmes. Given the holistic nature of the proposed alternative model in terms of simultaneous focus on adjustment and transformation, it is clear that SSA's main requirements for external financing will be for larger autonomous inflows from bilateral

and multilateral partners. However, in the circumstances of the transition from conventional SAPs to adjustment with transformation, the multilateral development and financial institutions will need to show increased flexibility both about policy perceptions and the need for non-autonomous resource flows to support the new generation of adjustment programmes in SSA. The prospects for implementing the alternative approach would be greatly compromised if SSA countries fail on their part to rise to the challenge of increased domestic resource mobilisation that would be required, and if SSA's development partners persist in predicating their assistance and support upon the strict conditionalities of adherence to the orthodox SAPs rather than on the proposals contained in the alternative model. Even if the new model might involve higher levels of external non-autonomous resource inflows in the short-run, its essentially transformational nature is such that the need for balance of payments support and such other inflows would progressively become less as progress is made towards structural change and sustained development.

### **5.3 Implementation of the Alternative Strategies**

In order to implement the alternative strategies for adjustment a principal shift has to be made from current approaches. It is essential that country programmes for the alternative adjusted process in Zimbabwe and SSA should be and remain the primary responsibility of SSA governments and its people. At the same time it is the responsibility of the international community to support such programmes. This is a fundamental shift from the practice in which external development agencies play an important role in the formulation, design, implementation and monitoring of adjustment programmes.

The process of formulation of these programmes should avoid the mistake of excluding the people from full participation in the formulation, implementation and monitoring of adjustment programmes. As the well-being of the people is principally at stake through the implementation of these programmes, it is necessary that consultative systems be established to develop the consensus that is so essential for the successful implementation of national programmes for adjustment with transformation.



#### **5.4 Implementation at National Level**

This must be based on a genuine and active partnership between the government and the people through their various political, social, farming and economic organisations at national, local and grassroots levels. This requires a reorganisation and/or re-alignment of the decision-making process for the design and implementation of adjustment with transformation programmes to ensure maximum cooperation between public and private sector agencies and between the government and the governed, as well as to mobilise popular support.

The key role of the government will embrace the creation of an enabling environment and institution building for effective implementation and vigorous support for grassroots initiatives. On the other hand, democratisation and popular participation will encourage the people to increase their development effort and to accept whatever sacrifices that may be implied by the programmes, thereby consolidating and deepening the process for national self-reliance. There are several key elements of this implementation strategy which must be taken into consideration, for example:

- Democratisation of the decision-making process at national, local and grassroots levels so as to generate the necessary consensus and peoples' support.
- Regular and effective inter-ministerial consultations to ensure that all ministries responsible for the productive and social sectors and all executive agencies and public sector enterprises are fully involved and take responsibility for the final programmes adopted.
- Full involvement of the central planning machinery both in the design and implementation of adjustment with transformation programmes so as to take into account short and long term development objectives.
- Consultations between the public sector and the various sections of the private sector so that all social groups play their part in the mobilisation and utilisation of national resources for development.
- Grassroots consultations through local communities and authorities, private associations, including indigenous NGOs.

There is a strong need for evolving procedures for the dissemination of information to the general public on the implications and challenges of adjustment with transformation programmes as well as on their impact on the economy and the people. All available forms of mass communication should be utilised. As far as possible, the public education exercise should rely more on the general public and organised interest groups, rather than government agencies, so as to enhance the popular participation aspects and the support of the programmes by the people.

### **5.5 Implementation at Sub-regional and Inter-country Level**

Cooperation between and among SSA countries in harmonising their approaches to the alternative adjustment programmes is essential in complementing the efforts of SSA countries towards the attainment of collective self-reliance. SSA countries, especially those belonging to the same economic grouping or sub-region, for example, SADC, ECOWAS, CFA, should make all efforts to avoid duplication of production units beyond the capacity of the potential market. They must also pool their resources with a view to optimise output. Similarly, the required needs to be satisfied should be harmonised. For example, any attempt in a given country at changing consumption patterns or at internalising production factor inputs may be nullified by the persistence of undesirable consumption patterns in neighbouring countries.

The selection and application of policy instruments and measures is, perhaps, the most important area requiring harmonisation of programmes of adjustment with transformation among SSA countries. For example, more often than not, lack of co-ordination in exchange rate, pricing or interest rate policies has resulted in the undermining of some of the on-going SAPSs. Since the alternative adjustment strategy covers both the short, medium and long terms it is important to ensure that policy instruments and measures adopted by individual SSA countries are well co-ordinated among them so that they can achieve the desired impact.



## **5.6 Financing the Alternative ESAP**

There is need to mobilise fully both internal and external resources required for implementation of programmes designed under the new strategy. Precise estimates of the quantity of resources needed to finance these programmes have to be worked out at individual country level. Some of the policies and measures already identified (see Tables 5.2a to 5.2d) are directed towards the mobilisation of the domestic and external resources that would enable SSA countries to finance their programmes for adjustment with transformation, for example:

- Improved international commodity trade environment.
- Appropriate policies and measures for mobilisation of domestic resources.
- More efficient utilisation of the limited domestic resources especially the direction of resources to economic and social sectors which are accorded high priority such as agriculture and education.
- Reduction of outlays on external debt servicing.
- Additional resources being generated from the growth of SSA countries.
- Increased external resource flows from bilateral, multilateral and private sector sources.
- Promotion of transfers by nationals living in the Diaspora, especially in the case of Zimbabwe.
- The prevention of financial leakages through capital flight, over-invoicing of imports and under-declaration of export earnings.

A vigorous implementation of many of those measures should lead to greater mobilisation of resources under the new alternative adjustment programmes than under the current SAPs. Export earnings make a major source of autonomous resources for financing adjustment with transformation. It is important, therefore, for solutions to be found for commodity problems and for issues that have been under international discussion for over three decades including the establishment of a generalised programme for stabilisation of export earnings, acceleration of the establishment of the Common Fund, and removal of barriers to SSA exports of processed and non-traditional exports to

be resolved. An improved international trade environment could help avert the kind of situation in which SSA lost almost US\$19 billion in 1986 through a sharp fall in export prices.

External debt relief provides another important area of generation of resources for financing. By limiting the debt service ratio to manageable proportions, larger amounts of resources can be released for the adjustment process. In 1988 SSA's debt servicing obligations amounted to US\$29 billion. It would make a great deal of difference to SSA economies if a substantial part of these transfers were to be available for financing the alternative programmes. Furthermore, SSA has become a net exporter of capital even to the IMF and WB. It has been estimated that SSA, in net terms transferred approximately US\$2 billion to the IMF in 1997 and 1998 which is almost 1.4% of the annual exports of goods and non-factor services of the region. If this trend were to be reversed, additional resources would become available to SSA for the adjustment process.

Finally, given the transformational nature of the adjustment programmes under the new adjustment programmes, it is evident that non-autonomous inflows to SSA countries in support of the new approach would have a bigger impact and indeed constitute a more productive and optimal approach to assisting SSA.

### **5.7 Monitoring strategy**

The major objective of the monitoring process for the new ESAP model is the assessment of the extent to which objectives and targets are being achieved. There is need, therefore, for Zimbabwe to establish monitoring systems that are appropriate to its programmes. Monitoring systems should be designed to cater for the assessment and evaluation of progress being made in achieving the main objectives policies and targets of the programmes. In this regard while macro-economic performance indicators, focusing on economic growth, aggregate demand components, population and related data, will still be required, there is a strong need to go beyond these indicators to the assessment of the programmes impact on the quality of life of the people and the extent of progress in meeting their basic needs as well as in relation to the process of transforming of the



production structures and consumption patterns. The monitoring systems should also provide for measurement of the extent to which people are being involved in the development and decision-making processes.

It will be essential to organise national, sub-regional and regional data systems which facilitate the assessment and monitoring of the impact of adjustment with transformation programmes, so as to provide early warning against any deviations from objectives and set goals.

### **5.8 International Support**

The international community particularly multilateral development and financial institutions and bilateral donor agencies have a critical role in the implementation of the alternative adjustment with transformation process in SSA countries. They should encourage and support programmes designed by SSA governments under the alternative framework to SAPs if they are to ensure that the assistance they extend to SSA leads to a sustainable process of development. It will be necessary for multilateral, bilateral and NGOs, in collaboration with governments, to formulate their assistance programmes taking full cognisance of national programmes.

### **5.9 FINALE**

No adjustment and transformation programmes however sound and innovative in their blueprints, can achieve the objectives of development if they are not properly implemented. The half-hearted commitment to programmes, as shown by the government of Zimbabwe, often leads to policy discontinuity and the same is true if programmes are under-financed, especially in terms of external resources. Implementation, therefore, constitutes one of the most vital elements in the transformation process. One has, therefore, to accord as much importance to the organisation of the implementation machineries and monitoring systems as to the design and formulation of programmes and policies themselves.

While there is no doubt about the imperative need for SSA to follow the path which this thesis has so carefully mapped out, there is more than ever before in the history of the African continent the need to build consensus around the new adjustment programme, the policy direction and instruments and the implementation strategy contained therein. The building of such consensus is so vital to the economic well-being of the continent that no effort should be spared by SSA leaders in pursuit thereof.

### **5.10 Conclusion**

This chapter presented the proposed ESAP Model which is intended to replace the IMF/WB created and designed SAP. The justifications for going this route were provided and elaborated. The characteristics of the new alternative framework were discussed. The next chapter discusses among other issues the concluding remarks on the literature review and results of the two fieldworks. The recommendations, contributions made by the research study and limitations and personal reflections are also provided.



## **CHAPTER SIX**

### **CONCLUSIONS AND RECOMMENDATIONS**

## **Chapter Six: Conclusions and Recommendations**

### **6.0 Introduction.**

This chapter concludes the doctoral research. Firstly, the conclusions made from the literature review on (a) IMF, WB and SAPs; (b) the selected six SSA countries and (c) Zimbabwe are given. Secondly, conclusions drawn from the analysis and results of the first and second fieldworks are given. Thirdly, recommendations coming out from this research are suggested. Next the contributions made to the knowledge of agricultural structural reforms are presented. The reflections observed and the limitations encountered during this thesis by the researcher are included. Finally, future areas for further study are suggested.

### **6.1 IMF, WB and SAPs**

It is concluded that many developing nations are currently in debt and poverty partly due to the money lending programmes by institutions such as the IMF, WB and other donor and aid agencies.

The IMF/WB impose their SAP's conditions to developing nations to ensure debt repayment in such a way that social spending must be cut back (in the form of removal of subsidies) and therefore lower the standards of living of the third world population. Factors such as the following lead to further misery for the developing nations and keep them dependent on developed countries:

- The IMF/WB policies also mean that developing countries must export more agricultural produce in order to raise enough money to pay off debts in a timely manner.
- Many developing nations are being asked or forced into global market place before they are economically and socially stable and ready.
- Raw produce and materials such as cotton, tobacco, tea, coffee, timber and various mineral resources are exported at cheap prices to the developed world.



- These nations are then told to peg their currencies to the US dollar. But keeping the exchange rate stable is costly due to measures such as increased interest rates and high inflation.
- Investors obviously concerned about their assets and interests can then pull out very easily if things get tough.
- In worst cases capital flight can lead to economic collapse as seen in the Asian global financial crisis of 1997/98/99.

The IMF/WB has prescribed the same medicine for troubled world economies for over two decades, that is, monetary and fiscal austerity, privatisation and financial liberalisation. Only when governments sign this “structural adjustment agreement” does the IMF/WB agree to lend international loans and arrange a restructuring of the country’s debt.

Since relatively similar remedies have been applied, to a greater or lesser extent in so many SSA countries mired in recession and undergoing adjustment in the 1980s and 1990s, the experiences of hundreds of millions of people have in some sense been similar. Contradictory economic policy reduces opportunities for employment and access to income wherever it is implemented. At the same time, the central objective of the radical neo-liberal form of adjustment – to remove obstacles to market integration, both within and among countries – requires both deregulation and the systematic disprotection of particular sectors of national economics and sections of local populations through policy shifts which also have relatively similar implications for individuals in many parts of the world.

This point can be illustrated by looking briefly at agriculture. In SSA countries whose governments have traditionally controlled agriculture closely and taxed export commodities heavily, deregulation of markets has often provided an incentive to agricultural production. Whether farmers have been able to gain from more direct participation in the market has, however, depended among other things, upon their

capacity to obtain marketing and other services and more favourable conditions than those originally offered by the government.

In region after region, the elimination of government subsidies to agriculture has meant that both large and small commercial farmers – producing for export or for national market – at best confront rapidly rising costs. At worst they lose access to inputs and services essential for production. Rising costs have been offset in part by lowering wages paid to farm labourers. This contributes to depressing local markets in which both large and small traders find it harder to make a living. Recession in rural areas is further compounded by declining remittances from family members in the cities, which constitute a significant element in the livelihood strategy of semi-subsistence and subsistence farmers.

Clearly, the particular form of adjustment in vogue for the past thirty years has not permitted the world community to deal effectively with problems of indebtedness and recession. A radical free-market programme, rigidly linking balance of payments assistance to disprotection of national markets and reduction of the public sector, has not created the necessary conditions for most people in adjusting countries to have a better future.

In the attempt to develop new approaches to the problems of indebted countries, it is also important to discard stereotypes. The most simplistic, and least useful, debates on economic reform have involved contrasting “state” and “market”, or “public” and “private” sectors, in highly ideological fashion. This obscures the real problems of specific social and economic systems and interferes with the design of pragmatic solutions.

Adjustment is not primarily a technical exercise. Technical expertise is of course an important element in designing policy reform, but as shown in this research study, adjustment poses dilemmas which can only be resolved politically. There are many ways to deal with any problem of imbalance in the economy, and each way implies a varying



distribution of benefits and losses for people within the society in question. In consequence, (as shown by the respondents in this research) measures worked out through adequate consultation with affected populations are likely to be more effective than those which are imposed. Creating effective mechanisms of response to economic crisis requires a degree of familiarity with real local solutions which cannot be expected of foreign advisers. Therefore there is a strong argument for reconsidering the role of international experts in designing adjustment policy, particularly when that role confers extraordinary power.

In the study of the six SSA countries in this thesis, improving the reform process is central to improving the likelihood that different groups of people, at various levels of society, will find useful ways to put the crisis behind them. If there is one overriding lesson to be learned from the experience of this research study, surely it is that there is no single prescription which can be relied upon to solve the complex problems of development.

Aid should not be used as an opportunity for donors to push specific economic policies on developing countries, engaging unnecessarily in internal affairs and micro-managing reform from the outside. This is not only beyond the mandate and expertise of donors, but undermines country ownership, resulting in often inappropriate and unsustainable reforms. In addition, attaching reforms to aid can delay aid flows and make aid more unpredictable.

As this research study demonstrated there is a need for a new approach to aid conditionality. Donors should be able to expect transparent accounts of how their aid money has been spent. This should not be labelled as a condition, but rather a contractual obligation, as this is a core element of the contract between the donor and recipient country, just as it would be the case with a loan made in the private sector.

This model of development, whereby the North (or the developed nations) impose their conditions on the South (the developing nations) has come under criticism from many

NGOs (for example Oxfam and World Development Movement) and other groups/individuals. That is why this research study has proposed that the model be revised and approached from different angles.

True, in some cases corrupt governments have borrowed money from the IFIs and/or directly from various donor nations and ended up using that money to pursue conflicts, arms deals and divert resources away from their people. However, in most cases that has been done knowingly, with the support of various developed nations due to their own national interests, especially during the Cold War.

On the one hand it seems appropriate to demand an end to the IMF and WB. However, such an abrupt course of action may itself lead to a gaping hole in international financial policies without an effective alternative.

During the first field phase (see Chapter 4 section 4.4) it was noticed that the IMF/WB representative covering Zimbabwe was not forthcoming with answers to some questions posed by the researcher. This proved a limitation in that it was difficult to actually find the thinking of IMF/WB on their current position on the whole economic reform programmes. The IMF/WB did not want to publicly admit to the shortcomings of their SAPs. But the literature review has shown that after many years of protest and criticism the IMF/WB renamed their various structural adjustment facilities (to Enhanced Structural Adjustment Facility and Poverty Reduction Support Credits respectively). They did this because the term “structural adjustment” had become synonymous with failed policies and undermining democracy.

### Some Specific Recommendations

The IMF/WB should:

- Stop attaching any economic policy conditions (prior actions and benchmarks) to its aid
- Move to out-come based conditionality, linking aid to mutually agreed poverty reduction targets



- Ensure that all country analytical work is driven by recipient governments' agendas, is made public and examines a wide range of policy options, assessing each in the light of its poverty impact.
- In countries where macro-economic stability is still an issue, limit the quantitative targets to a minimum and ensure they are backed up by independent analysis and broad agreement that can provide the best option for poverty analysis

Donors should:

- Invest at least 50% of their aid in long-term (five years plus) predictable budget and sector support
- Move to using out-come based conditionality, linking aid to a few mutually agreed national poverty reduction targets.
- Assist SSA governments in developing their own capacity to analyse policy reform options

Developing country governments should:

- Ensure transparent and accountable budget and expenditure processes and involve parliaments and civil society in all national decision making and setting of poverty reduction goals
- Increase capacity to collect poverty data and analyse the impact of different policy options on poor people.

## **6.2 The Selected Six SSA Countries**

The external obstacles to development in the six selected SSA countries (Cote d'Ivoire, DRC, Ghana, Kenya Uganda and Zambia) far outweigh the internal problems which the IMF and WB have sought to address through their insistence on economic reforms in return for aid and loans. The colonial inheritance has inhibited integrated development, resulted in a substantial need for investment in infrastructure, and has been exacerbated by the narrow perspective taken by foreign investors taking the agricultural produce (mainly raw) from these countries.

The structure of the economy of these countries is the primary underlying cause of the current crisis. It is a structure that obliges the countries to keep producing agricultural commodities they do not need and depend on other people for the production of its own need. It is a structure of dependency rather than self-reliance and more import-export oriented rather than production-oriented. Some negative features of these economies are:

- Predominance of subsistence activities
- Existence of a large informal sector
- Degraded environment with large chunks of land having become desolate and unusable for cultivation of crops or rearing of livestock.
- Lop-sided development due to the urban bias of public policies, thus permanently leaving the rural areas in poverty
- Fragmentation of the African economy in small markets
- Weak institutional capabilities.

The whole economic setting has been put out of gear. For example, once net exporters of food, African countries now have difficulty feeding their own people. More than one third of Africa's people rely wholly or in part on imported food. While modern agricultural techniques are now applied mostly to export crops.

The political environment is also a major cause of the problems. Basic rights, individual freedom and democratic participation are often lacking in SSA countries. Given such circumstances, people do not work hard or produce optimally and naturally if people do not work hard, the pace of development, if any, is at snail's pace.

A common view is that SSA governments need to cooperate more actively on both a regional and international basis. This and their many other political failures cannot be exonerated, despite the overwhelming external problems. But political change cannot be leveraged simply by the IMF and WB's economic conditionality. SSA can only avoid permanent political and economical marginalisation if there is an international commitment to a common and specific programme to bring SSA back into world polity.



In order to understand and appreciate more the impact and workings of SAPs in the six selected countries the researcher would have liked to have visited these countries during the research period. But due to time and resources constraints this was not possible. Researcher believes this would have provided invaluable insight into the economic conditions and functions of these countries.

### **6.3 Zimbabwe.**

Like the six SSA countries, Zimbabwe has been subjected to policies flowing from SAPs. The application of the IMF and WB prescriptions to Zimbabwe's economic crisis has in fact accelerated a set of social, economic and political contradictions, creating the conditions for the country literally to retard its development.

This study has demonstrated that a range of domestic dynamics was at work in the 1980s in Zimbabwe and had direct impact on the shift in the country's development strategy. This was away from a rural-centred strategy with a significant decline in the earlier emphasis on meeting the welfare needs of the poor. While pressures stemming from the international system were important, dynamics operating at the domestic level were instrumental in determining the policy choices and objectives of the government.

In the literature on structural adjustment and the politics of economic reform in SSA, it has been common to assume that SAPs have been imposed on SSA countries, against the will of both the governments and the local populations. The corollary of this assumption was that dynamics operating at the domestic level were unimportant, relevant only in terms of how governments reacted to pressures and constraints stemming from the international system. Yet, while the broad features of SAPs were similar across countries, there was significant variation in terms of the particular mix of policies adopted, pointing to the importance of domestic, political and economic dynamics and conditions. The domestic support for ESAPs was limited to the dominant class, the ruling and economic elites. The government failed to devise a broad-based coalition of support inclusive of the subordinate classes. In the absence of a large social consensus behind the need for market-based reforms, the sustainability of the programme has come into doubt.

As the late Bernard Chidzero (private consultant to the government and former Minister of Finance) put it, the government was in a catch-22, caught between the politically unpopular demands of the IFIs and the dynamics of society which cannot easily be controlled.

An interesting example was that there was selective consultation in designing the SAPs. Farmers and their organisations, the ZCTU which boasts a membership of over 300 000 workers were not consulted during the conceptualisation and design of the programme. This research has revealed that the awareness of the programme was limited. Government was now trying to popularise the programme as this was being implemented. The right approach should have been to explain the intentions and gain support for the programme and at the same time got inputs from all different segments of society before adopting the programme.

In short, SAPs were likely to bring serious social hardships and government was likely to respond very strongly to any social movements of protest. This development could be avoided if the intensity of implementing the measures that would have an immediate undesirable impact on social groups was reduced and more efforts made to correct the objective conditions that necessitated the changes of policy before the process of change itself was set in motion.

#### **6.4 First and Second Fieldwork**

All the respondents, with the exception of the IMF/WB, gave their responses freely. One would notice a desire to see an improvement in the way SAPs are executed. As mentioned in the study IMF/WB respondents were very evasive and refused to answer some questions.

It can therefore be unequivocally concluded that the analysis was carried out in a free and fair atmosphere. The government of Zimbabwe and its security agents did not interfere with the proceedings of the fieldwork.



In order for the reader to understand and appreciate the analysis in this thesis the researcher gives his own views, remarks and recommendations at the end of the each set of responses. For example, concluding comments are given at the end of the response to marketing or infrastructure or land reform and so forth. This can be seen in chapter four.

It is interesting to note that comments made in Chapter 2 (under Zimbabwe) by the then Zimbabwe-Rhodesia government in 1978 in its Integrated Plan for Rural Development: *“Utopian socialist schemes to blanket the country with communal settlements would rapidly lead to disaster by destroying an agricultural industry which provides a massive proportion of national wealth, national employment and foreign exchange. It would be replaced by a system noted for its failure elsewhere in SSA and which would extend the deterioration of the present TTLs across the country”* and by Dennis Norman then President of RNFU (March 1979): *“We could substantially increase food production, generating more jobs and new wealth for the benefit of everyone in this country. Agriculture must be built up and not pulled down. Once an industry like ours is allowed to collapse it produces a vacuum that cannot be filled. You can bring in expatriates from anywhere in the world to mine or run the railways. But they cannot become farmers overnight. The TTL farmer cannot fill that void because through no fault of his own, he is not equipped to do so at present”*, are ringing true to what has happened in Zimbabwe. The country is now unable to produce food enough for its citizens (agriculture production has been reduced to less than 20% because of the unplanned land reform programme), unemployment is running at 80%, inflation is believed to be plus 8000% and the US\$ is equivalent to almost Z\$250 000 (September 2007).

The main advantage of this study was the support it received from the groups of the studied respondents. But unfortunately to some respondents, especially the communal farmers they saw the participation in the research study as a sign that financial aid and improvement of their infrastructure would immediately follow after the interviews. This showed the desperate situation this group were in vis-à-vis the desire to improve their standard of living through profitable farming. The researcher re-emphasised his position

to the respondents that study was merely investigating, for academic/educational purposes, the impact of SAPs and looking at proposing alternative methods of implementing structural adjustment reforms.

Regardless of their busy and tight schedules the large scale farmers and agricultural companies participated in the research interviews with huge openness and enthusiasm. They were generous with their time and responses.

### **6.5 Recommendations**

The IMF and WB should be willing to re-examine their premises and admit their inadequacy. Instead of trying to fit the poorest of all countries to the Procrustean bed of its theories, it should be seeking genuine ways to help SSA out of its present predicament. This research study supplies overwhelming evidence that new approaches are long overdue.

The Bretton Woods institutions' comparative advantage relative to other donors, NGOs and private sector are in supporting policy and sector investment. Considerably more of their attention and energy must be devoted to agricultural policy reform. This will require better agricultural analysis, expanding the content of policy reform to include factors such as land tenure, rural infrastructure, rural education, natural resource management and agro-industry and greater attention to sustaining reforms already undertaken. Increasingly, agricultural lending programmes should be conditioned on agreement with governments regarding agricultural policy reform. Each SSA country needs its own specific medium to long term agricultural development and policy framework within which this agreement can be fashioned.

Naturally, the operationalisation of the proposed framework for adjustment with transformation must address the important questions relating to the desirable norms of adjustment, the structure that the economy adjust to or transform, the main variables involved, and the types of relationships among them (that is, the articulation of the modes



of interactions of forces, resources and needs). In this way the policy parameters can be appropriately chosen.

The basic norms of adjustment will obviously depend on the specific national characteristics or sub-regional circumstances. The norms have to be consistent with the overall development objectives namely, increasing the level of the standards of living of the majority of the population, ensuring sustained and sustainable economic growth and development, and reduction of individual and collective external dependence. The structures to adjust to or transform would also have to include the real and material structures and relations of production, consumption and technology; the socio-economic institutional structures; the domestic financial structures, and international trade and finance structures.

It must be stressed that there is need for well considered selectivity, taking into account the fact that the mix and relative importance of the different variables relating to the forces, resources and needs will undoubtedly vary from country to country. The variables that are to be identified and used in the application of the framework will also depend on the degree of disaggregation that is compatible with data availability and reliability as well as the analytical scope desired in given circumstances.

The variables at play should include sectoral output with distinction between exportable and non-exportable commodities, forces that are relevant to the production process such as weather, technology, institutions, world commodity and financial markets; variables related to resources especially land (arable and cultivated), exploitable natural resources, domestic savings, external resources, labour and intermediate inputs (domestic and imported). These variables are inter-related and are to be used through such policy instruments as exchange rate policy, domestic credit policy, interest rate policy, producer prices and production subsidies.

### **6.5.1 Agricultural Research.**

Relevant agricultural research is crucial for technology innovation in SSA. National agricultural research programmes need to be based on master plans which are integrated into agricultural research frameworks developed for groups of countries. The relevance and responsiveness of research to clients should be improved by providing capacity for policy analysis within research establishments, ensuring that the clients are adequately represented on the various controlling bodies of research institutes, verifying the technical quality of research, ensuring that researchers make contact with farmers and making researchers accountable for the quality and impact of their work.

### **6.5.2. Agricultural Extension.**

Agricultural extension is undertaken in virtually every country in the world. There must be regular and periodic agricultural training for all staff in the extension service. Training must be practical. The public extension system needs to be national in scope. It is too expensive and confusing to have several public extension systems being implemented simultaneously through various donor projects. Focus must be directed more on improving local capacity to manage extension rather than introducing foreign management, which is not sustainable. Foreigners eventually leave.

Most recent literature on agricultural extension convincingly argues that extension systems need to be even more responsive to farmers' needs than the government-managed systems now supported by the IMF and WB.

Extension personnel have been found to be ill-prepared, in many cases, for coping with the agricultural situations in the country. The emphasis should be the improving on the quality and relevance of the agricultural curriculum. Linking education to agricultural research, extension policy and input supply further increases this relevance. There is room to put internationally respected scientists into African agricultural colleges and universities to assist in curriculum development. For example, urgent agricultural extension effort is required to inform farmers that soil pH is crucial for the uptake of



nutrients by plants. Because without maintaining correct pH levels via liming of soils the use of chemical fertilisers is impeded.

### **6.5.3 Farm Inputs**

Technology dissemination requires efficient mechanisms for the sale of farm inputs equipment and livestock. The import, domestic manufacture and marketing of farm inputs and investment goods, as well as livestock should be left primarily to the private sector. What is required is the development of a free market in farm inputs and equipment, unfettered by government regulation, except for the necessary to protect the natural resources.

### **6.5.4 Infrastructure.**

The importance of transport for agricultural development is well established. The research analysis has concluded that there are bottlenecks to the supply of farming inputs to farmers, the main ones are poor road links and inefficient distribution enterprises. Planning, construction and maintenance should involve the local communities as well as local contractors. In general it has been found that important strategies for investment, operation and maintenance of road development are (a) good planning with government involvement; (b) construction and maintenance of major infrastructure by private contractors supervised by the most decentralised government units possible; (c) construction of rural roads by either private contractors or rural communities, and maintenance in partnership with local communities. The local administrations found at the community level are often best able to contract and supervise the building and maintaining of rural roads.

### **6.5.5 Irrigation and Water Management.**

The area potentially suitable for irrigation in SSA is estimated at nearly 20 million hectares. The potential importance of irrigation is suggested by the fact that irrigated agriculture in SSA produces about 3.5 times more per hectare than rain-fed agriculture. The most promising possibilities are schemes costing US\$1 500.00 (1999 rates) per hectare or less, which could be built and maintained by farmers with government

assistance. These should include surface irrigation from dams and wells, controlled flooding and development of inland valleys and basins, swamps, and flood plains. In addition expenditure on the proper operation and maintenance of existing schemes and on rehabilitation will be money well spent in many countries.

Water management and conservation for rain-fed crops is important. In semi-arid areas and where dry spells are a danger, it is essential to maximise the proportion of rainfall that filters into the soil for crops to use rather than washing off uselessly or destructively. This can be helped by water spreading (diverting it from gullies onto cultivated fields) and water harvesting (tie-ridging, directing run-off from a broad area by earth or stone bunds and canals onto smaller areas growing crops or trees).

#### **6.5.6. Farmers' Associations.**

The political and economic elite are more likely to take note of farmers' needs if farmers have their own organisations. These, if genuinely representative, constitute a step toward empowering local people. Group action is deeply rooted in African societies. Many groups already exist; for land management, for cooperative marketing and input supply, for savings and credit. Cooperatives in Africa have worked best when organised to market and process cash crops. Cooperatives are generally unsuccessful when organised by government. To succeed, cooperation has to be voluntary and managed from below. Grassroots management is one way to ensure this. Alternatively, cooperatives can be based on customary social structures and groups, as they often are. Governments can, however, provide technical assistance, such as advice on accounting, legal rights and technology. Cooperative savings and loan associations have often been found to be effective financial intermediaries.

#### **6.6 Contribution to Knowledge.**

The research study in this thesis may be reported to have made the following contributions to the improvement of structural adjustment reform programmes.



### **6.6.1. Proposition of the Alternative Model**

The first contribution is the alternative framework to SAPs which has been proposed in chapter 5. Old-styled types of SAPs put a lot of emphasis on the adoption of policies that would reduce expenditures of government and the population to bring them to the level of incomes, such as cuts in expenditure on wages, elimination of subsidies on agricultural goods, and essential services and to government enterprises, reductions in the number of public employees, and other budgetary reduction. Normally, governments found it easier to slack expenditures of the soft sectors like agriculture, education and health. The government, in order to please the IMF/WB, would also quite easily, if not readily, postpone expenditures on agricultural development projects.

The proposed model flatly rejects this very narrow view of adjustment. It is possible and better to deal with well-studied government expenditure switching. Such switching can bring about significant changes in the delivery of services and effectiveness of government without increasing spending. For example, resources can be switched from the military to social services and development projects.

A special feature of the reform policy alternatives that deserves mention here is the aspect of regional cooperation in the design, choice and implementation of programmes. Many improvements in Africa's development pattern will involve projects that stretch across national borders.

### **6.6.2 Agricultural Research and Extension.**

This study has highlighted the importance of proper funding and equipping the research and extension services in Zimbabwe by government.

The research study would like to see agricultural research being more responsive to local, national and regional development challenges and to make it fully accountable to its clientele. There should be cooperation among African countries as regards to research strategies. In this way, countries that are too small to do their own research can be accommodated.

The study has also shown why there are a lot of criticisms of the current efforts by government extension services, for example, the extension staff are poorly paid and have little motivation to share whatever knowledge they do have with farmers. It has been highlighted in the thesis that more work needs to be done improving the quality of agricultural education. The curricula for agricultural colleges and universities require a revamp in order to suit the changing scenario in Zimbabwe, for example, small scale farmers are being settled at former white farms. The curriculum should include training the agricultural students on how to deal with the resettlement of the people on commercial farming land.

### **6.6.3. Collateral.**

The study has discussed the issue of land rights or tenure for communal farmers. There is a critical need for these farmers to have title to land so that they can have access to loans or credit for their agricultural input requirements. By having land as collateral for obtaining loans, farmers will not be tied down to contract farming where they do not control the price paid for their produce. Government should desist from holding communal land for political purposes.

### **6.6.4 People.**

The starting point for policy reforms to develop the rural areas lie in the peasants and the rural areas as a whole having the possibility of organising themselves freely and independently. Being thus organised at the national level the peasantry, or more precisely the rural inhabitants, would actively participate in the preparation of the agricultural economic and social policies and in supervising their implementation. It has been found in most ex-post agricultural project evaluation that active farmer involvement in project design and execution is a frequent ingredient of success.

## **6.7 Suggested Areas for further Study.**

As this research has proposed and documented an alternative to SAPs and proposed a more effective Zimbabwean-specific model for use in agricultural reform operations,



there remain major areas which require addressing. If these are not addressed it will be difficult to successfully implement the above.

One of the reasons that the smallholder farmers are so poor is that all of them are unable to turn their assets into liquid capital or collateral. The majority are getting farm inputs through contract farming. This forces them to market their farming produce via the contractor instead of the highest bidding buyer. Loans or credit are difficult to come by because they lack collateral.

In the developed countries the most common way to do this is to borrow funds using land or property as security. This is how most entrepreneurs get started, and without such loans they would be much less dynamic and rich than they are today. But most smallholder farmers cannot do the same thing because even if they own their homes they usually do not have the title deeds to prove it. Therefore further research should be carried out to devise systems and ways on how smallholder farmers can secure land rights or title deeds. Bearing in mind that most SSA governments use the rural smallholder farmers and the land they cultivate as captured votes for them to stay in power.

The rights of African farmers over land vary between the extremes of communal and individual ownership. A commonly perceived paradigm of the situation runs as follows. Initially, when there was surplus land, rights were defined for groups rather than individuals. Within the groups, individual or family rights rest on elaborate traditions and customs, which serve to enforce group control over the use and disposition of land. To minimise social friction and to ensure the group's survival, the entitlement of individuals to specific tracts of land is transitory. As population increases and land becomes scarce, long fallow periods can no longer be relied on to maintain land fertility, and the transitory nature of land use rights fails to provide incentives for individuals to improve their land. Technologies to restore fertility require the investment of capital, and effort but must be adopted. Accordingly, farmers must be given incentives to change their ways. One important incentive is the right to permanently cultivate land and to bequeath or sell it.

Secure land rights also help rural credit markets to develop, because land is good collateral.

Agricultural modernisation combined with population pressure will make land titling necessary. Therefore research work is required in finding ways on how to give communal land title.

## **6.8. Reflections**

It is evident from the case studies of the seven countries (Cote d'Ivoire, DRC, Ghana, Kenya, Uganda, Zambia and Zimbabwe) that the record of SAPs is a mixed bag, with a clear tilt toward the negative aspects. In the short term, adjustment tends to lead to economic contraction amidst rising inflation and unemployment and declining real incomes. In fact, SAPs policies such as currency devaluation, trade liberalisation, economic deregulation, price decontrol and subsidy withdrawal tend to accelerate the inflationary spiral and contribute to growing political, social and economic instability.

SAPs are generally not designed to promote growth in the short term, since their main objective is to create efficient conditions and promote economic stability. Probably the most that can come out of the initial phase of SAPs is the possible reform to economic stability. In practice however, the return to stability is a rather long process since some policies of adjustment also contribute to instability.

Another problem with adjustment programmes is that they lead to more uneven income distribution since they promote sectoral shifts, mainly from the weak to the strong. As a result, the cost of adjustment falls mainly on the vulnerable sections of society, including the lowly paid, the unemployed and the landless.

One of the cornerstones of adjustment packages is the decontrol of agricultural producer prices. This is normally carried out on the assumption that higher prices will stimulate production and increase the earnings of the rural producers relative to the urban middle



class. This is usually accompanied by institutional reforms aimed at reducing government participation in rural marketing.

There are however, a number of risks associated with these measures. First, in many poor SSA countries both rural and urban areas have poor buyers of food who need protection from high food prices. Second, most rural societies are rather differentiated. In this respect, higher prices will also inflate production costs (through higher import prices) and thus benefit only the big farmers while squeezing out small-scale producers. In many countries, rising food prices have provoked demands for compensatory increases in money wages resulting in generalised inflation. This has in fact worsened the rural-urban terms of trade. Third, the withdrawal of state-owned enterprises from agricultural marketing has in some cases contributed to produce wastage and late delivery inputs. This is mainly due to the fact that the private sector marketing structure was too small to adequately replace the state structure.

The evidence from the countries studied in this thesis suggests that structural adjustment is really not all development strategy, but merely prescribes efficiency conditions. Those conditions are to be found under the free reign of market forces. SAPs, therefore, advocates a reduced government role and an increased role for private capital. Implicitly, therefore, accumulation will be best achieved under market conditions.

## **6.9 Concluding Remarks.**

This research did not have the time, resources and the scope to put into action or test the alternative model in Zimbabwe in order to assess the practicability and acceptability of the model. Added to this limitation was that the current government in power would have taken exception to this exercise. This is due to the anti-SAPs attitude in the leaders of the ruling party. The current government would not take too kindly to some comments made by respondents during the two interview phases.

The researcher believes beyond any shadow of doubt that the alternative model will find many takers in most SSA. If this thesis is confirmed the researcher will take the findings and recommendations to SSA nations for implementation.

In summary, the principal elements of an action plan to raise agricultural growth are as follows:

- Private sector, including cooperative and grassroots organisations should be given a bigger role. Agricultural products should be freely marketed. Private investment in production, agricultural processing, and farm input supply should be promoted not constrained by excessive regulations and administrative controls or legislation.
- Intensive new efforts are required to strengthen the management of agricultural research at the national level, linked to streamlined national extension services. The international research centres and multi-country research network need to focus a more intensive research effort to Africa. But the quality of agricultural training must improve for this to occur.
- The development and maintenance of rural infrastructure needs to be given greater attention, and beneficiaries should be involved in maintenance and operation.
- Environmental protection action plans for each country are needed to address issues of soil erosion, deforestation and watershed management.
- Governments should assist the evolution of land tenure systems by providing legal and administrative mechanisms to ensure greater security of tenure.

Agriculture can become the engine of growth only if all this changes. More public investments in agriculture are not the critical factor. The key to success is to make the farm sector more productive through better policies and stronger institutions and most of all by developing people.

Many sub-Saharan Africans say that poverty will not be reduced by outside actors but by more transparency and honesty from the leaders. But it is sad to note that the UN Secretary General Ban Ki-moon has called an emergency meeting to try to address SSA's



failure to make progress on the Millennium Development Goals (BBC News, September 2007). The eight internationally declared goals, on reducing poverty and improving life chances were set in 2000 (at the end of the second phase of SAPs) for achievement by 2015 and these were:

- Eradicate extreme poverty and hunger via improved agricultural production
- Achieve universal primary education
- Promote gender equality and empower women
- Reduce child mortality
- Improve maternal health
- Combat HIV/AIDS, malaria and other diseases
- Ensure environmental sustainability
- Develop a global partnership for development

It is interesting to note that the president of the WB, leaders from the IMF, the European Union and the African Union have been invited to attend this meeting. On current form, the UN says, SSA as a region will not meet any of the poverty-busting goals set to be achieved by the year 2015.

## **REFERENCES**



## References

---

Abbey, J.L.S. (1989). *On Promoting Successful Adjustment: Some Lessons from Ghana*. The 1989 Per Jacobson Lecture, Washington, DC. IMF.

Academy Of Management (AoM). Code of Ethical Conduct. Available at: [www.aomonline.org/aom.asp?ID=185](http://www.aomonline.org/aom.asp?ID=185) (Accessed 2<sup>nd</sup> February 2004).

Adedeji, O. (1991). The Challenges of Pluralism, Democracy, Governance and Development. *The Courier*, No. 150 (March-April). Pp 93-95

Adelman, C. Jenkins, D. and Kemmis, S. (1980). Rethinking Case Study: Notes From The Second Cambridge Conference, in Simons, H. (ed.) *Towards A Science Of The Singular*. Centre for Applied Research in Education, University of East Anglia, 1980.

Adkisson, Richard, V. (1998). Conditionality, Restructuring and the Reperipherization of Latin America. *Journal of Economic Issues*, June 1998.

African Development Bank (1989). *Zimbabwe Industrial Stimulation and Export Promotion Study*.

African Development Bank. (1999). *Zimbabwe: 1999-2001 Country Strategy Paper*. Country Department, South Region.

African Development Bank Group. (2004). *NEPAD*. Available at: <http://www.afdb.org> (Accessed 23<sup>rd</sup> March 2008)

Ahmed, M., Lane, T. and Schulze – Ghattas, M. (December 2001). Refocusing IMF Conditionality., *Volume 38, Number 4*.

Akwabi-Ameyaw, K. (1997). *Producer Cooperative Resettlement Projects in Zimbabwe: Lessons from a Failed Agricultural Development Strategy*.

Alesina, A and Dollar, D. (1998). *Who Gives Foreign Aid to Whom and Why*. World Bank Report.

Amanor, K.S. (2008). Introduction: Land and Sustainable Development Issues in Africa in K.S. Amanor and S. Moyo (editors). *Land and Sustainable Development in Africa*. 2008. Zed Books. London and New York.

Amanor, K.S. and Moyo, S. (2008). *Land and Sustainable Development in Africa*. Zed Books.

Armstrong, J. S. (1985). *Long Range Forecasting*. Wiley, New York.

Arndt, A. (1985). *The Origins of Structuralism*, in *World Development*, Volume 13, No. 2, February 1985.

Articles of Agreement of the IMF Article July 1944.

Asante, S.K.B. (1991). *African Development: Adebayo Adedeji's Alternative Strategies*. Hans Zell Publishers of Oxford, England.

Asante, S. K. B. (1999). *Regionalism and Africa's Development: Expectations, Reality and Challenges*. MacMillan Press Ltd.

Ashworth, A. V. (1993). *The Communal Land Re-organisation Programme in Zimbabwe*. The Review of Rural and Urban Planning in Southern and Eastern Africa.

Asika, E.C. (2002). *A Brief on NEPAD*. Address to the Lagos Business School. 6<sup>th</sup> August 2002

Bailey, C. A. (1996). *A Guide to Field Research*. Thousand Oaks, C.A.: Pine Forge Press.

Baldwin, E.E. (1966). *Economic Development and Export Growth*. Berkeley, University of California Press, USA. World Development No. 3.

Barbanti, O. (Jr.) (2004). Development and Conflict Theory, in *Beyond Intractability*. Eds. Burgess, G and Burgess, H. (2004). Conflict Research Consortium. University of Colorado, Boulder. Available at: [http://www.beyondintractability.org/essay/development\\_conflict\\_theory/](http://www.beyondintractability.org/essay/development_conflict_theory/) (Accessed 4<sup>th</sup> April 2008)

Barkan, Joel, editor. (1984). *Politics and Public Policy in Kenya and Tanzania*. Praeger, New York.

Barkan, Joel. (1992). The Rise and Fall of a Government Regime in Kenya in Goran Hyden and Michael Bratton, editors. *Governance and Politics in Africa*. Lynne Rienner Publishers Boulder.

Barkan, Joel. (1994). Divergence and Convergence in Kenya and Tanzania: Pressure for Reform. In: *Beyond Capitalism versus Socialism in Kenya and Tanzania*, ed. Joel Barkan. Lynne Rienner Publishers: Boulder.

Barkan, Joel. (1998). The Future of Democracy in Kenya. *Africa Today*. Vol. 45 No. 2, April, June 1998.

Bates, R and Collier, P. (1993). The Politics and Economics of Policy Reform in Zambia, in Roberts Bates and Anne Krueger (editors): *Political and Economic Interactions in Economic Policy Reform*. Oxford and Cambridge.

Bautista, R.M. and Thomas, M. (1998). *Agricultural Growth Linkages in Zimbabwe: Income and Equity Effects*.

Baxter, L. (1995). *The Supervisor's Progress*. London: NEBS Management

Baxter, L., Hughes, C and Tight, M. 1996. *Academic Career Handbook*.



- Bayer, R. (2003). Lord Carrington's Mediation of the Rhodesian Settlement. Available at: [www.trinstute.org/ojpcr/1\\_4bayer.htm](http://www.trinstute.org/ojpcr/1_4bayer.htm) (Accessed 25<sup>th</sup> October 2002)
- BBC News. (September 2007). *Millennium Development Goals*. United Nations Report.
- Bechhofer, F. (1974). Current Approaches to Empirical Research: Some Central Ideas, in J Rex (ed.). *Approaches to Sociology*. London: Routledge.
- Bell, C. (1969). *A Note on Participant Observation*, *Sociology*. Oxford Press.
- Bello, W. and Mittal, A. (2000). Dangerous Liaisons: Progressives, the Right and the Anti-China Trade Campaign. Available at: [www.foodfirst.org/pubs/backgrdrs/2000/sp00v6n1.html](http://www.foodfirst.org/pubs/backgrdrs/2000/sp00v6n1.html) (Accessed 12th June 2005)
- Berelson, B. (1952). *Content Analysis in Communication Research*. Glencoe, III: Free Press.
- Berg, E., Guilanmont, P., Pegatienan, J. and Amprou, J.(1999). *Aid and Reform in the Cote d'Ivoire*. Country Case Study for World Bank Project.
- Bernard, H. Russell. (1995). *Research Methods in Anthropology: Qualitative and Quantitative Approaches*. Walnut Creek, CA: Alta Mira.
- Bird, G. (2001). IMF Programmes: Do They Work? Can They be Made Better? *World Development Vol.29, No. 11, pp 1849-1865*.
- Blackden, C. (1993). *Paradigm Postponed: Gender and Economic Adjustment in Sub-Saharan Africa*. Technical Notes, Human Resources and Poverty Division, Africa Region (AFTHER), World Bank. Washington D.C.
- Boas, F. (1943). Recent Anthropology. *Science 98: 311-14, 334-37*.
- Bolnick, Bruce (1997). Establishing Fiscal Discipline. The Cash Budget in Zambia, in Marilee Grindlee (ed): *Getting Good Government Capacity Building in the Public Sectors of Developing Countries*. Cambridge: Harvard University Press.
- Bond, Patrick. (1998). *Uneven Zimbabwe: A Study of Finance, Development and Under development*. Africa World Press.
- Bond, P. (2002). *Against Global Apartheid: South Africa Meets the World Bank, IMF and International Finance*. University of Cape Town Press.
- Bonnick, G.G. (1997). *Zambia Country Assistance Review. Turning an Economy Around*. Washington D.C.: World Bank Operations Evaluation Study.
- Borner, Silvio and Paldam, Martin. (1988). *The Political Dimension of Economic Growth*. MacMillan London.

- Boyatzis, Richard, E. (1998). *Transforming Qualitative Information: Thematic Analysis and Code Development*. Thousand Oaks, CA: Sage.
- Brewer, J. and Hunter, A. (1989). *Multimethod Research: A Synthesis of Styles*. Newbury Park. CA: Sage.
- British Sociological Association (ASA). *Statement of Ethical Practice*. Available at: [www.britisoc.org.uk/about/ethic-htm](http://www.britisoc.org.uk/about/ethic-htm) (Accessed 4<sup>th</sup> August 2004).
- Brown, Michael, Barrat. (1995). *Africa's Choices: After Thirty Years of the World Bank*. Penguin Books.
- Brown, Michael, Barrat and Tiffen, Pauline. (1992). *Short Changed, Africa and World Trade*. Pluto Press. London. Boulder, Colorado with the Transnational Institute.
- Brown, S. (1995). Sources and Status of Marketing Theory, in Baker, M. J. (ed), 1995. 3<sup>rd</sup> Edition. *Marketing Theory and Practice*, pp 23 – 40. McMillan Press, Basingstoke.
- Bruce, J. W. (1990). *Legal Issue in Land Use and Resettlement*. A Background Paper. Zimbabwe Agricultural Sector Memorandum. World Bank, Harare, 1990.
- Bruno, M and Easterly, W. (1998). Inflation Crises and Long-run Growth. *Journal of Monetary Economics*, Vol. 41, 3-26.
- Bryman, A. and Bell, E. (2007). *Business Research Methods*. Oxford Press.
- Buchanan, D. A., Boddy, D., and McCalman, J. (1988). Getting In, Getting Out and Getting Back, in Bryman, A. (ed). *Doing Research in Organisations*. London; Routledge.
- Campbell, Donald. T. (1999). " On the Rhetorical Use of Experiments." Pp 149-58 in *Social Experimentation*, by Donald, T. Campbell and M. Jean, Russo. Thousand Oaks, CA: Sage
- Campos, R. (1960). Monetarism and Structuralism in Latin America, in Meier, Gerald (editor), *Leading Issues in Development*. 1994.
- Carson, D., Gilmore, A., Perry, C. and Gronhang, K. (2001). *Qualitative Marketing Research*. Sage Publications.
- Carter, Steven. Dr. (1999). *Do Economic Structural Adjustment Programmes Really Create A Sustainable Climate for A Market Economy and International Trade? – The Case of Zimbabwe*. Paper presented at the Academy of Business and Administrative Sciences (ABAS) Barcelona, Spain. 12-14 July 1999.
- Catholic Commission for Justice and Peace. (1995). *Speaking the Same Language? Dialogue on Structural Adjustment Programmes in Africa*. Harare: Mambo Press, Silveira House.



- Central Statistics Office. (June 1979). *National Accounts and Quarterly Digest of Statistics*. Salisbury, Rhodesia. Published by CSO.
- Central Statistics Office. (June, 1994). *National Accounts and Quarterly Digest of Statistics*. Harare, Zimbabwe. Published by CSO.
- Central Statistics Office. May, (1997). *National Accounts and Quarterly Digest of Statistics*. Harare, Zimbabwe. Published by CSO.
- Central Statistical Office. (September, 2000). *National Accounts and Quarterly Digest of Statistics*. Harare, Zimbabwe. Published by CSO.
- Central Statistical Office. (October, 2001). *Agricultural Production on Small Scale Commercial Farmers, 2000*. Harare, Zimbabwe. Published by CSO.
- Central Statistical Office. (May, 2007). *National Accounts and Quarterly Digest of Statistics*. Harare, Zimbabwe. Published by CSO.
- Chakaodza, A.M. (1993). *Structural Adjustment in Zambia and Zimbabwe: Reconstructive or Destructive?* Third World Publishing Co. London.
- Chang, C., Fernandez-Arians, E and Serven, L. (1998). *Measuring Aid flows: A New Approach*. World Bank, Development Research Group.
- Chappell, C. (2001). *The Nature of Qualitative Research. Handout*.
- Charlton, M. (1990). *The Last Colony in Africa: Diplomacy and the Independence of Rhodesia*. Oxford: Basic Blackwell.
- Chavunduka, G. L. (1982). *Report of the Commission of Inquiry into the Agricultural Industry*. Government of Zimbabwe
- Chazan, N. (1983). *An Anatomy of Ghanaian Politics: Managing Political Recession, 1969 – 82*. Boulder, Co.: Westview.
- Cheater, A. P. (1990). *Socio-Cultural Dimensions of "Customary" Tenure in Zimbabwe*. Paper Presented at Conference on Land Policy in Zimbabwe After "Lancaster", Mimeograph: University of Zimbabwe.
- Chevallier, J. and Kiakwama, G. (1999). *Aid and Reform: The Case of the Democratic Republic of Congo*. Word Bank Report.
- Chua, W. F. (1986). Radical Developments in Accounting Thought. *The Accounting Review* (61) pp 601-632.
- Cleaver, K.M. (1998). *A Strategy to Develop Agriculture in Sub-Saharan Africa and a Focus for the World Bank*. Washington D.C.

- Coates, B. (2002). *Making Sense of Johannesburg Summit*. Article Produced for World Development Movement.
- Cohen, M.Z. and Omery, A. (1994), Schools of Phenomenology: Implication for Research, in Morse, J.M. (ed) *Critical Issues in Qualitative Research Methods*, pp 136-156. Sage, Beverly Hills, California.
- Collier, P. (1997). The Failure of Conditionality, in Gwin, J and Nelson, P, *Perspectives on Aid and Development*.
- Collier, Paul and Dollar, David (1998). *Aid Allocation and Poverty Reduction*. World Bank, Development Research Group. Washington, D.C.
- Confederation of Zimbabwe Industries (CZI) Economics Department. (1988). *Employment Creation – Is Investment the Solution?* Industrial Review (August 1988).
- CONEX. (1970). *Subdivision Policy*. Government Files.
- Conroy, D. L. (1987). *A Phenomenological Study of Police Officers as Victims*. Unpublished Doctoral Thesis, Graduate College, The Union Institute, Cincinnati, OH.
- Conway, P. (1994). IMF Lending Programmes: Participation and Impact. *Journal of Development Economics*, Vol.45. 1994 pp 365-391.
- Corden, M. (1990). *Macroeconomic Policy and Growth: Same Lessons of Experience*. Proceedings of the World Bank Annual Conference on Development Economics.
- Cornia, G.A. and Helleiner, G. eds. (1994). *From Adjustment to Development in Africa: Conflict, Controversy, Convergences Consensus?* New York: St Martin's Press.
- Country Profile. (2003). BBC World News. <http://news.bbc.co.uk/2/hi/africa/country-profiles/1076399.stm>
- Creswell, John, W. (1998). *Qualitative Inquiry and Research Design: Choosing Among Five Traditions*. Thousand Oaks. CA: Sage.
- Crotty, Michael. (1998). *The Foundations of Social Research: Meaning and Perspective in the Research Process*. London; Sage.
- Cuthbertson, S. and Wilson, R. (1988). Trade Liberalisation Study. Vols 1 – 3. *Unpublished*.
- Danaher, Kevin. (2001). *10 Reasons to Abolish the IMF and World Bank*. Open Media Pamphlet Series.
- Dashwood, H.S. (2000). *Zimbabwe: The Political Economy of Transformation*. University of Toronto.



Data of FAO. (2005). *Demographics of Zimbabwe*.

Davies, R. (1990). *The Zimbabwe Economy: A Macro-economics Perspective*. Paper prepared for 21<sup>st</sup> Waterhouse Conference, "The Zimbabwean Economy Promoting Growth For the Future" Harare 8 – 9 May 1990.

Day, E. (1995). Know Consumers Through Qualitative. *Marketing News*, 32, 14.

Delgado, C.L. (1997). *Africa's Changing Agricultural Development Strategies*. 2020 Vision Brief.

Demery, L.M. and Addison, T. (1987). *Stabilization Policy and Income Distribution in Developing Countries*.

Demery, L.M. and Grootaert, C. eds. (1993). *Understanding the Social Effects of Policy Reform*. Washington, D.C: World Bank.

Denzin, Norman, K. (1978). *The Research Act: A Theoretical Introduction to Sociological Methods*. 2<sup>nd</sup> edition. New York: McGraw-Hill.

Denzin, Norman, K. and Lincoln, Yvonna, S. eds. (2000). *Handbook of Qualitative Research*. 2<sup>nd</sup> ed. Thousand Oaks, CA: Sage.

Denzin, Norman, K. and Lincoln, Yvonna, S. (2000). *Introduction: The Discipline and Practice of Qualitative Research*. 2<sup>nd</sup> Edition. Thousand Oaks, CA: Sage.

Department of Foreign Affairs, Republic of South Africa. 2003. *Nepad in Brief*. Available at: [www.dfa.gov.za/au.nepad/nepadbrief.htm](http://www.dfa.gov.za/au.nepad/nepadbrief.htm) (Accessed 12<sup>th</sup> April 2004).

Department of Rural Development. (1994). *Transition Development Plan*.

De Soto, Hernando. (1995). *Land Issues in Developing Countries*. Paper delivered to a SAPES Confrence in Zimbabwe, June 1995.

Devarajan, S. Dollar, D. and Holmgren, T. (1999). *Aid and Reform in Africa: Lessons from Ten Case Studies*. Development Research Group, the World Bank.

Dey, H. K. (1989). The Genesis and spread of Economic Corruption: A Microtheoretic Interpretation. *World Development*, 17 (4): 503-511

Dollar, D and Burnside, C. (1998). *Aid, Policies and Growth*. Oxford University Press.

Dollar, D. and Pritchett, L. (1998). *Assessing Aid. What Works, What Doesn't, and Why*. A World Bank Policy Research Report. Oxford University Press.

Dollar, D. and Svensson, J. (2000). What Explains the Success or Failure of Structural Adjustment Programmes. *Economic Journal*.

Dordunoo, T and Nyanteng, V.K. (1997). Overview of Ghanaian Economic Development, in Nyanteng (ed) *Policies and Options for Ghanaian Economic Development*. Legon: Institute of Statistical, Social Land Economic Research, University of Ghana.

Dorward, A., Kyddo J. and Poulton, C. (1998). *Smallholder Cash Crop Production under Market Liberalization*. - A New Institutional Economics Perspective.

Earth Summit. (2002). *Building Partnership for Sustainable Development*.

Easterly, W. (2002). *What Did Structural Adjustment Adjust?* Centre for Global Development, Institute for International Economics.

Easterly-Smith, M., Thorpe, R. and Lowe, A. (1991). *Management Research: An Introduction*. Sage London.

Edwards, D. J. (1998). Types of Case Study Work: A Conceptual Framework for Case-based Research. *Journal of Humanistic Psychology*.

Eisner, E. (1991). *The Enlightened Eye: Qualitative Inquiry and the Enhancement of Educational Practice*. New York: MacMillan.

Elahi, Akhtar. (1992). *Review of Irrigation Strategy in Sub-Saharan Africa*. (Draft). Agricultural Division, Technical Department, Africa Region, World Bank.

Ellis, F. (1988). *Peasant Economics*. Cambridge University Press. UK.

Ellyne, M.J. (1995). The Economic History of Uganda and Progress under its Structural Adjustment Programme. *The Uganda Journal*, vol. 42 pp 16 – 31.

External Review. (August, 1997). World Bank.

FAO. (1988). *Agricultural Marketing Liberalisation and Privatisation: Implementation Issues*. FAO, Rome.

Fisher, S. (Former Vice-President and Chief Economist of the World Bank). (April 3, 1989). A Speech to the G-24 Deputies.

Fisher, S. (1997). Applied Economics in Action: IMF Programmes. *The American Economic Review*, Vol.87, No.2 May 1997.

Food Studies Group. (1990). *Agricultural Marketing and Pricing in Zimbabwe*. Background paper for World Bank "Zimbabwe Agricultural Sector Memorandum. Washington D.C.

Freeman, F., Melanie, J., Roberts, I., Vanzetti. , Tielu, A. and Beutre, B. (2000). *The Impact of Agricultural Trade Liberalisation on Developing Countries*. ABARE Innovation in Economic Research.



Friedrich Ebert Stiftung and Zimbabwe Economics Society. (1998). *The Land Reform Challenge. An Economic and Social Perspective: Volume 2 Seminar Proceedings (16), Economic Advocacy Project.*

Frimpong – Ansah, J.H. (1992). *The Vampire State in Africa: The Political Economy of Decline in Ghana.* London: James Currey Ltd.

Fry, M. (1995). *Savings, Growth and Financial Repression.* Paper presented at the Money, Macroeconomic and Finance Research Group Meeting at the London Business School.

Fundanga, C. (1989). *The Role of the IMF and the World Bank in Zambia. The IMF, the World Bank and the African Debt.* Volume 1, Bade Onimode (ed). The Institute for African Alternatives. London.

Gakou, M. L. (1987). *The Crisis in African Agriculture.* The United Nations University. Zed Books Ltd.

Gans, H. J. (1991). The Participant Observer as a Human Being: Observations on the Personal Aspects of Fieldwork. In Burgess, R. G. (ed.), *Field Research: A Sourcebook and Field Manual (pp. 53-61).* London: Routledge.

Gardiner, Rosalie. (2002). *Towards Earth Summit 2002 Project.* A Handbook.

Garman, N. (1996). Qualitative Inquiry: Meaning and Menace for Educational Researchers. In *Qualitative Research Practice in Adult Education*, edited by P Willis and B. Neville, pp11-29. Ringwood, Victoria, Australia: David Lovell Publishing, 1996.

Garrison, D. R. and Shale, D. (1994). Methodological Issues: Philosophical Differences and Complementary Methodologies. In; *Research Perspectives in Adult Education*, edited by D.R. Garrison, pp 17-37. Malabar, FL: Krieger, 1994.

Gatheru, W. and Shaw, R. (editors) (1998). *Our Problems, Our Solutions: An Economic and Public Policy Agenda for Kenya.* Institute of Economic Affairs Nairobi.

Gay, L.R. and Airasian, P. (1999). *Educational Research: Competencies for Analysis and Application. 6<sup>th</sup> edition.* Upper Saddle River, N.J: Merrill.

Getubig, I. (1992). *The Role of Credit in Poverty Alleviation: A Review of Asian Experience.* Economic Development Institute. Washington, D.C. The World Bank.

Ghuri, P. and Gronhaugh, K. (2002). *Research Methods in Business Studies: A Practical Guide. 2<sup>nd</sup> edition,* Harlow, Financial Times. Prentice Hall.

Gill, J. and Johnson, P. (1991). *Research Methods for Managers.* Paul Chapman, London.

- Godwin, P. and Hancock, I. (1993). "Rhodesians Never Die". *The Impact of War and Politic Changes on White Rhodesia. 1970 – 1980*. Oxford: Oxford UP, 1993.
- Golafshani, N. (2003). Understanding Reliability and Validity in Qualitative Research. *The Qualitative Report. Vol.8. No. 4. December 2003. pp 597-607*.
- Good, K. (1996). The Reproduction of Weakness in the State and Agriculture: The Zambian Experience. *Africa Affairs, Vol. 85. No. 339*.
- Gordon, D.F. (1992). The Political Economy of Economic Reform in Kenya in Lancaster, C. *The Politics of Economic Reform in Africa*.
- Gordon, J. (2002). The Crisis in Asia: Are there Lessons for Zimbabwe? In Mumbengegwi, Clever. ed. *Macroeconomic and Structural Adjustment Policies in Zimbabwe*. Palgrave.
- Government of Kenya. (1974) Sessional Paper No. 4 of 1974.
- Government of Zimbabwe. (1981). *The Resettlement Drive*.
- Government Republic of Zambia. (1984) Volume I.
- Government of Zimbabwe, (1986). *First Five Year National Development Plan, 1986 – 1990*. Harare: Government Printers.
- Government of Zimbabwe. (1991). *2nd Five Year Development Plan 1990 – 1995*. Government Printers.
- Government of Zimbabwe. (1991). *The Land*. Government Printers.
- Government of Zimbabwe. (1994). *The Zimbabwe Agricultural Policy Framework 1995-2020*.
- Government of Zimbabwe. (1998). *Zimbabwe Programme of Economic and Social Transformation (ZIMPREST)*. Government Printers.
- Green Peace Bulletin. October, 2004.
- Green, R. and Kadhani, X. (1986). Zimbabwe: Transition to Economic Crises 1981-1983. Retrospect and Prospective. *World Development Vol.14, No. 8 August pp 1059-1083*.
- Grundy, I. and Miller, B. (1979). *The Farmer at War*. Modern Farming Publishers, Salisbury (Harare today).
- Guba, Egon, G. (1978). *Toward a Methodology of Naturalistic Inquiry in Educational Evaluation*. CSE Monograph Series in Evaluation No.8. Los Angeles: Centre for the Study of Evaluation, University of California.



- Guba, E. (1990). *The Alternative Paradigm Dialogue*, in Guba, E. (ed) *The Paradigm Dialogue*, pp 17-27. Sage , Beverley Hills, California
- Guba,E.G and Lincoln, Y.S. (1994). *Competing Paradigms in Qualitative Research*. Sage
- Guest, Robert. (2004). *The Shackled Continent*. Smithsonian Books. Washington.
- Gummesson, E. (2000). *Qualitative Methods in Management Research*. (2<sup>nd</sup> Edition). Thousand Oaks, CA, Sage.
- Halifax Initiative. (1997). *Calling The IFIs to Account: International Financial Institutions in the 21<sup>st</sup> Century*. Forums held in Edmonton and Vancouver, Canada, October, 1997
- Hawkins, Anthony. (1991). *The Zimbabwe Situation*. A Handout.
- Hazelwood, A. (1991). Foreign Aid and Economic Development in Kenya, *in the Lele and Nabi, Transitions in Development*.
- Hazelwood, A. (1967). *African Integration and Disintegration*. Oxford University Press.
- Healey, M. J. and Rawlison, M. B. (1994). Interviewing Techniques in Business and Management Research, in Wass, V. J. and Wells, P. E. *Principles and Practice in Business and Management Research*. Aldershot, Dartmouth.
- Hemmingway, M. A. (2001). Qualitative Research in I-O Psychology. *The Industrial-Organizational Psychologist* 38, No.3 January, 2001. Available at: <http://siop.org/tip//backissues/TipJan01/06Hemmingway.htm> (Accessed 27th January 2002)
- Herbst, Geoffrey. (1991). *State Politics in Zimbabwe*. Princeton: Princeton University Press.
- Herbst, J. (1993). *The Politics of Reform in Ghana, 1982 – 1991*. Berkeley, CA: University of California Press.
- Heron, John. (1996). *Cooperative Inquiry: Research Into the Human Condition*. Thousand Oaks, CA: Sage.
- Hettne, Bjorn (1992). *Development Theory and the Three Worlds*. Longman Scientific and Technical.
- Holmgren, T. (1998). *Terms of Reference for Aid and Reform Project*. World Bank.
- Holmgren, T., Kasekende, L., Alingi-Ego, M. and Dolamulira, D. October (1999). *Aid and Reform in Uganda: Country Case Study*. World Bank.

- Holsti, O. R. (1969). *Content Analysis for the Social Sciences and Humanities*. Reading, MA: Addison – Wesley.
- Hoogvelt, A. (1999). *Impacts of Structural Adjustment Programmes on the Development of Sub-Saharan Africa*. IMF.
- Hope, K. R. Sr. (1997). *African Political Economy: Contemporary Issues in Development*. London: M.E. Sharpe.
- Hopkins, M. September (1989). *Adjustment and Poverty in Cote d'Ivoire, 1980 – 1989*. World Bank.
- Howard, K. and Sharp, J. A. (1983). *The Management of a Student Research Project*. Aldershot; Gower.
- Hull, G. (1997). *Research With Words: Qualitative Inquiry*. Focus on Basics No.1. A Boston M.A: National Centre for the Study of Adult Learning and Literacy. Available at: <http://www.gse.harvard.edu/-ncsall/feb/1997/hull.htm> (Accessed 18th September 2001).
- Humphrey, Mike. (1989). *An Ownership Profile of Zimbabwe's Manufacturing Sector*. Harare: Confederation of Zimbabwe Industries.
- Hutchison, M. (2001). A Cure Worse Than the Disease? Currency Crisis and Output Costs of IMF-Supported Stabilization Programmes. *NBER Working Paper 8305*. Available at: <http://www.nber.org/paper/w8305> (Accessed 19th November 2005)
- Husain, I. September (1993). *Poverty, and Structural Adjustment: The African Case*. World Bank.
- Imel, S., Kerka, S. and Wonacott, M. E. (2002). *What Is Qualitative Research?* In *Practitioner File 2002*.
- IMF (1995). *Uganda: Adjustment with Growth, 1987- 94*. A Fact Sheet.
- IMF April (2000). *The General Arrangements to Borrow (GAB). The New Arrangements to Borrow (NAB)*. A Fact Sheet.
- IMF (2000). *Social Dimensions of the IMF's Policy Dialogue*. A Fact Sheet
- IMF. March (2001). *Terms of IMF Financial Assistance*. A Fact Sheet.
- International Crisis Group. (2003). *Southern Africa Project*.
- IMF. (2002). *Political Power and Loan Conditions*. A Fact Sheet
- International Labour Office. November (1993). *Structural Change and Adjustment in Zimbabwe*. Occasional Paper No. 16 Geneva: ILO.
- International Monetary Fund (2000). *About the IMF*. IMF.



- Jacobs, G. and Cleveland, H. (1999). *Social Development Theory*. Paper Prepared for International Commission on Peace and Food.
- James, P and Mulcahy, D. (1999). Meaning-making in Qualitative Research: Issues of Rigour in a Team-based Approach. *Report No.14, pp1-9*
- Jankowicz, A. D. (2000) *Business Research Projects (3<sup>rd</sup> ed.)*, London, Business Press Thomson Learning .
- Jebuni, C., Oduro, A. and Tutu, K.A. (1997). *Trade and Payments Liberalization and Economic Performance in Ghana*. Paper presented at the African Economic Research Consortium Workshop, Nairobi.
- Jenkins, C. (1994). *Economic Policy and Rural Welfare in Zimbabwe 1980 – 90*. Paper presented to the 20<sup>th</sup> Anniversary Conference of the Journal of Southern African Studies.
- Johnson, J. M. (1975). *Doing Field Research*. New York Free Press.
- Jones, T. and Hardstaff, P. May, (2005). *Denying Democracy*. World Development Movement.
- Kadenge, P.G., Ngoro, H. and Zwizwai, B.M. (1992). Zimbabwe's Structural Adjustment Programme: The First Year Experience in Mwanza, A.M. (ed) *Structural Adjustment Programmes in SADC: Experiences and Lessons from Malawi, Tanzania, Zambia and Zimbabwe*. 1992. SAPES Books.
- Kaplan, B. and Maxwell, J. A. (1994). Qualitative Research Methods for Evaluating Computer Information Systems in *Evaluating Health Care Information Systems: Methods and Applications*, J. G. Anderson, C. E. Aydin and S. J. Jay eds. Sage, Thousand Oaks, CA, 1994, pp 45-68.
- Kasekende, L. and Atingi-Ego M. (1996). *Financial Liberalisation and Its Implications for the Domestic Financial System: the Case of Uganda*. A final Research Paper Submitted to the A.E.R.C. Workshop, Nairobi, Kenya May 24 – 30.
- Kasekende L. and Malik, D. (1993). *The Financial System, Saving and Investment in Uganda*. A Paper Presented to the Un-Economic Commission for Africa. Addis Ababa.
- Kasekende, L. and Ssemogerere, B. (1994). *Exchange Rate Unification and Economic Development: The Case of Uganda 1987 – 1992*. World Development.
- Keyser, J.C. (2002). *The Costs and Profitability of Tobacco compared to other Crops in Zimbabwe*. World Bank.
- Kibel, Barry, M. (1999). *Success Stories as Hard Data: An Introduction to Results Mapping*. New York: Kluiver Academic/Plenum.

- Kidder, L. and Judd, C. M. (1986). *Research Methods in Social Relations*. 5<sup>th</sup> ed. New York: Holt, Rinehardt and Winston.
- Killick, T. (1978). *Development Economics in Action: A Study of Economic Policies in Ghana*. New York: St Martin's Press.
- Killick, T. (1991). *The Adaptive Economy: Adjustment Policies in Small Low-Income Countries*. Washington, D.C.: The World Bank.
- Kinsey, B. (1997). *Growth-friendly Poverty Reduction: Long-term, Household – level Outcomes of Land Reform in Zimbabwe*. Development Studies Association Free University. Amsterdam.
- Kipling, Rudyard. (Not dated). My Six Servants/Honest Men in Patton, M. Q. (2002). *Qualitative Research and Evaluation Methods*. 3<sup>rd</sup> Edition. Sage Publications.
- Kirkman, K. (1978). *A Study of Africa's Economic War*. Paper presented at the 1978 Annual Congress of the Rhodesia National Farmers Union.
- Kitching, Gavin (1989). *Development and Underdevelopmnet in Historical Perspective*. Routledge.
- Kolajo, E. F. (1992). *Measuring Price Protection in Zimbabwe Culture: A Preliminary Assessment*. Working Paper AEE 5/92
- Krippendorff, K. (1980). *Content Analysis: An Introduction to Its Methodology*. Newbury Park, CA: Sage.
- Lammont, T. (1995). Economic Planning and Policy Formulation in Uganda; in Langseth, P., Katobor, J., Brett, E., and Munene, J. eds., *Uganda Landmarks in Rebuilding a Nation*. Fountain Publishers, Kampala. 1995.
- Lee, T. W., Mitchell, T. R. and Sablynski, C. J. (1999). Qualitative Research in Organisational and Vocational Psychology, 1997-1999. *Journal of Vocational Behaviour* 55, No.2 (October 1999) pp 161-187.
- Leggett, I. (2001). *Uganda*. An Oxfam Country Profile. Fountain Publishers.
- Lewis, P.M. (1998). *Africa: Dilemmas of Development and Change*. WB.
- Lincoln, Yvonna, S. and Guba, Egon, G. (1985). *Naturalistic Inquiry*. Sage Publications.
- Lincoln, Yvonna, S. and Guba, Egon, G. (2000). "Paradigmatic Controversies, Contradictions, and Emerging Confluences" in *Handbook of Qualitative Research*. 2<sup>nd</sup> ed., edited by Norman K. Denzin and Yvonna S. Lincoln. Thousand Oaks, CA: Sage.
- Lincoln, Yvonna, S. and Guba, Egon, G. (2002). *Competing Paradigms in Qualitative Research*. Thousand Oaks, CA.



- Madeley, John. (1999). *Big Business, Poor Peoples: The Impact of Transnational Corporations on the World's Poor*. Zed Books. London and New York.
- Mahmond, Burney (World Bank resident representative in Zimbabwe). (1998). *Industrial Review* (August 1988).
- Maize Producers' Association. (1998). Statement on Maize Production in Zimbabwe.
- Makamure, J., Jowa, J. and Muzuva, H. (2001). *Liberalisation of Agricultural Markets*. SAPES
- Mamingi, N. (1997). *The Impact of Prices and Macroeconomics Policies on Agricultural Supply: A Synthesis of Available Results*. Agricultural Economics.
- Mandaza, I. ed. (1986). *Zimbabwe: The Political Economy Transition, 1980 – 1986*. Dakar: CODESTRIA Book Series.
- Maposa, I. (1995). *Land Reform in Zimbabwe*. Praeger Press. Connecticut.
- Market Research Society (MRS). *Code of Conduct and Guidelines*. Available at: [www.mrs.org.uk/standards/guidelines](http://www.mrs.org.uk/standards/guidelines) (Accessed 11<sup>th</sup> December 2003).
- Marshall, C. and Rossman, G. B. (1995). *Designing Qualitative Research*. 2<sup>nd</sup> Edition. Sage Publications.
- Marshall, C. and Rossman, G. B. (1999). *Designing Qualitative Research*. 3<sup>rd</sup> Edition. Sage Publications.
- McKinnon, J. (1973). *The International Analysis of Poverty*. New York: Harvester – Wheat Sheuf.
- McNeill, P. (1990). *Research Methods* (2<sup>nd</sup> ed.). London, Routledge.
- Mercer-Blackman, V. and Unigovskaya, M. (2000). *Compliance “With IMF Programme Indicators and Growth in Transition Economies”*. IMF Working Paper 2000 WP/00/47.
- Meredith, Martin. (2006). *The State of Africa: A History of Fifty Years of Independence*. Free Press.
- Merriam, S. B. (2002). Introduction to Qualitative Research. In *Qualitative Research in Practice: Examples for Discussion and Analysis* edited by S. B. Merriam, pp 3-16. San Francisco: Jossey-Bass.
- Mesina, A. and Dollar, D. (1998). *Who Gives Aid to Whom and Why?* NBER Working Paper 6612. National Bureau of Economic Research, Cambridge, Mass.
- Messkoub, M. (1992). *Development Policy and Public Action*. Oxford Press.
- Mhone, Guy. (2001). *Beyond Structural Adjustment: An Alternative*. SARIPS

- Mlambo, A.S. (1994). *Manufacturing in Zimbabwe, 1980 – 1990*. Longman.
- Miles, M. B. and Huberman, A. M. (1984). *Qualitative Data Analysis: A Sourcebook of New Methods*. Beverly Hills, CA: Sage.
- Miles, Matthew, B. and Huberman, A.M. (1994). *Qualitative Data Analysis: An Expanded Sourcebook*. 2<sup>nd</sup> edition. Newsbury Park, CA: Sage.
- Ministere de l'Industrie. March (1989). *Schema Directeur du Developpement Industrial de la Cote d'Ivoire*.
- Ministry of Agriculture. (1994). *Zimbabwe's Agricultural Policy Framework 1995 – 2020: Vision 2020*.
- Ministry of Finance, Planning and Economic Development (Uganda). (2000). *Budget Statement 1999/2000*.
- Ministry of Finance (Zimbabwe). (1997). *Budget Statement 1997/8 Fiscal Year*.
- Ministry of Lands, Agriculture and Rural Resettlement. (1982). *Transition Development Plan*. Government Printers.
- Ministry of Social Welfare (1996). *Poverty Assessment Survey*. Government of Zimbabwe Publication.
- Mitchell, P. (1996). *Acquiring a Conception of Mind: A Review of Psychological Research and Theory*. Hove: Psychological Press.
- Mosley, P. (1996). The Failure of Aid and Adjustment Policies in Sub-Saharan Africa: Counter-Examples and Policy Proposals. *Journal of African Economics*, Vol. 5, No. 3. October 1996
- Mosley, P. (2003). *Poverty Impact of the Green Revolution on Policies for Pro-Poor Growth in LDCs*. Mimeo. Sheffield: University of Sheffield.
- Mosley, P., Harrigan, J. and Toye, J. (1995). *Aid and Power, Vol. I, Second Edition*, Routledge, London.
- Moyana, H. V. (1984). *Political Economy of Land in Zimbabwe*. Mambo Press: Gweru.
- Moyo, Jonathan. (1992). *Voting for Democracy: Electoral Politics in Zimbabwe*. Harare: University of Zimbabwe Publications.
- Moyo, J.N. (1992). *Politics of the National Purse: Public Budgeting as Public Policy in Zimbabwe*. SAPES Books Harare.
- Moyo, S. (1992). *Zimbabwe's Land Reform under the Economic Structural Adjustment Programme*. Zimbabwe Institute of Development Studies.



- Moyo, S. (1995). *The Land Question in Zimbabwe*. Harare: SARIPS.
- Muhumuza, W. (1997). *The Interface Between Structural Adjustment, Poverty and State Managed Credit Programmes in Uganda*. Conference Paper.
- Muir, K. and Blackie, M. (1994). *The Commercialisation of Agriculture*. SAPES.
- Muir-Leresche, K. (1999). *Agriculture and Macro-Economic Reforms in Zimbabwe: A Political Economy Perspective*. Paper presented to a seminar on Reform Programmes, October, 1992 in Harare.
- Mumbengegwi, Clever and Mabugu, Ramos. (2002). Macroeconomic Adjustment Policies in Zimbabwe (1980-2000): An Introduction and Overview in Mumbengegwi, Clever. Editor. 2002. *Macroeconomic and Structural Adjustment Policies in Zimbabwe*. Palgrave.
- Muuka, G. N. (1998). In Defense of World Bank and IMF Conditionality in Structural Adjustment Programmes. *Journal of Business in Developing Nations*. Vol. 2 (1998) Article 2.
- Mwanza, A. (26-27<sup>th</sup> May, 1988). *Agricultural Policy: The Problem of Restructuring*. Paper presented at Workshop on Policy Issues in Food Security in Zambia, Mulungustu Hall, Lusaka.
- Mwanza, A. (April 1991). Structural Adjustment Programmes in Tanzania and Zambia: Some Lessons for Late Starters in SADCC. *Southern Africa Political and Economic Monthly*, Vol. 4, No. 7.
- Mwanza, A. M. (1992). *Structural Adjustment Programmes in SADC: Experiences and Lessons from Malawi, Tanzania, Zambia and Zimbabwe*. Harare: SAPES.
- Mwanza, A. (1999). *Social Policy in an Economy under Stress: The Case of Zimbabwe*. SAPES.
- Mwanza, A.M., Mwamba, N and Kakuwa, E. (1992). The Structural Adjustment Programme in Zambia: Lessons from Experience, in Mwanza, Allast, M. (editor). *Structural Adjustment Programmes in SADC: Experiences and Lessons from Malawi, Tanzania, Zambia and Zimbabwe*.
- Myers, Michael, D. (1997). Qualitative Research in Information Systems. *MIS Quarterly* (21:2), June 1997, pp241-242. Available at: [www.misq.org/discovery/MISQD\\_isworld](http://www.misq.org/discovery/MISQD_isworld) (Accessed 7th July 2004).
- Naiman, R. and Watkins, N. (1999). *A Survey of the Impacts of IMF Structural Adjustment in Africa: Growth, Social Spending and Debt Relief*. IMF
- Nasser, F. M. (2001). Selecting an Appropriate Research Design. In *Research Pathways: Writing Professional Papers, Theses, and Dissertations in Workforce*

*Education*, edited by E.I. Farmer and J. W. Rojewski, pp 91-106. Lanham, MD: University Press of America. 2001

Ndlovu, Callistus (Minister of Industry and Technology - Zimbabwe), cited in *Industrial Review (August 1988 – p. 55)*.

Ndoro, H. (1990). *The Structural Adjustment Programme in Zimbabwe and Future Perspective*. Mimeograph. Harare.

Ndulo, M. and Norton, D. (1987). *Macro-economic Policy Issues, in Transforming a Single Product Economy* by O'Neil, H and others. EDI. World Bank.

Nelson, J.M. (1990). *Economic Crisis and Policy Choice: The Politics of Adjustment*. Overseas Development Countries.

Norman, D. March (1979). Speech Delivered to R.N.F.U. Regarding the Guerrilla War and its Implications.

Nyagura, C. (1998). *Land Reform in Zimbabwe: Farmers' and Academics View Points*. Friedrich Ebert Stiftung and Zimbabwe Economics Society: Working Paper No. 23, Economics Advocacy Project.

Nyamapfeni, K. (1990). *Proposals for Communal Land Re-organisation in Zimbabwe*. Department of Rural Development. Harare. 1990.

OAU. (1997). Report on the Monrovia Declaration.

O'Brien, F.S. and Ryan, T.C.I. (1999). *Aid and Reform in Kenya: A Country Case Study*. Oxford University Press.

ODA. (1993). *Guidelines for the Development of a Water Resources Management Strategy for Zimbabwe*. ODA

Oka, Tomofumi and Shaw, Ian. (2000). *Qualitative Research in Social Work*. Research Paper. Available at: <http://pweb.sophia.ac.jp/~t-oka/qrsw> (Accessed 21<sup>st</sup> February 2003).

Onayogode, B and Pegatienan, J. July (1994). *The Relations between the World Bank and Cote d'Ivoire*. A Study for the World Bank History project, Abidjan.

Orlikowski, W. J. and Baroudi, J. J. (1991). *Studying Information Technology in Organizations: Research Approaches and Assumptions*. Information Systems Research pp 1-28.

Overseas Development Council. (2000). *Donor and Recipient Countries: Review*.

Oxfam International . (April, 2000). *IMF and WB, Time to Retire*. Press Release.

Patton, M. Q. (1996). "A World Larger Than Formative and Summative." *Evaluation Practice* 17 (2): 131-44. Thousand Oaks, CA: Sage.



Patton, M.Q. (2002). *Qualitative Research and Evaluation Methods*. 3<sup>rd</sup> edition. Sage Publications.

Pelto, P. J. and Pelto, G. H. (1978). *Anthropology Research: The Structure of Inquiry*. Cambridge. UK: Cambridge University Press.

Perry, C., Reige, A. and Brown, L. (1999). *Realism's Role among Scientific Paradigms in Marketing Research*. Irish Marketing Review, 12 (2), 16-23.

Phillips, E and Pugh, D. S. (1994). *How to Get a PhD: A Handbook for Students and Their Supervisors*. 2<sup>nd</sup> Edition. Business Unit Ckingham, UK. Open University.

Polack, J.J. (1997). *The IMF Monetary Model at Forty*. IMF Working Paper.

Popper, K. R. (2001). *Objective Knowledge: An Evolutionary Approach*. Revised Edition. Oxford University Press.

Przeworski, A. and Vieeland, J. R. (2003). The Effect of IMF Programmes on Economic Growth. *Journal of Development Economics*, 2003.

Qualter, Anne. (1996). Level 3 Case Study. A Handout. Available at: <http://wwwliv.ac.uk/education/resmeth/casestudy.rtf> (Accessed 8th May 2003).

Quenum, B.M. (2001). *Strategy for African Countries*. Businessafrica.net Newsletter ISSN 1563-4108.

Raftopoulos, B. (1993). *Beyond the House of Hunger: The Struggle for Democratic Development in Zimbabwe*. Review of African Political Economy.

Rakner, L., Michelsen, C., van de Walle, N. and Mulaisho, D. Septemer (1999). *Aid and Reform in Zambia. Country Case Study. Aid and Reform in Africa Project*. World Bank.

Ranis, G. (1995). *On Fast Disbursing Policy-Based Loans*, mimco

Reserve Bank of Zimbabwe. (May, 1997). Reserve Bank Quarterly Economic Review.

Rhodesia Farmer. (14<sup>th</sup> July 1979).

Rhodesia Herald. (20<sup>th</sup> May 1978).

Riley, M. W. (1963). *Sociological Research I: A Case Approach*. New York: Harcourt, Brace and World Inc.

Robson, C. (1993). *Real World Research: A Resource for Social Scientists and Practitioner-researchers*. Oxford, Blackwell.

- Robson, C. (2002). *Real World Research: A Resource for Social Scientists and Practitioner-researchers*. 2<sup>nd</sup> Edition. Oxford, Blakwell.
- Rojas, R. (1992). *Notes on Economic Commission for Latin America's Structuralism and Dependency Theory*. Rojas Data Bank.
- Rojas, R. (1997). *Notes on Structural Adjustment Programmes*. The Robinson Rojas Archive.
- Roth, M.J. (1990). *Analysis of Agrarian Structure and Land Use Patterns*. Background paper for Zimbabwe Agriculture Sector Memorandum, World Bank, Washington D.C.
- Rotheray, M. (1993). The Positivist Research Approach in R. Grrinnell (ed.), *Social Work Research and Evaluation*, New York: F. E. Peacock.
- Rukovo, A., Takavarasha, T., Thiel, R. and Wiebelt, M. )(1991. *The Profile of Agricultural Protection in Zimbabwe*. WP No. 457, Kiel Institute of World Economics, Kiel.
- Rukuni, Mandivamba (Chairman). October (1994). *Report of the Commission of Inquiry into Appropriate Agricultural Land Tenure Systems*. Volume 2: Technical Reports.
- Rukuni, M. and Eicher, C.K. (1994). *Zimbabwe's Agricultural Revolution*. University of Zimbabwe Publications.
- Rummel, R. W. and Ballaine, W. C. (1963). *Research Methodology in Business*. New York: Harper and Row.
- Rural State Land Office. (1998). *Land Classification in Zimbabwe*. Zimbabwe Government Publication
- Saunders, Mark; Lewis, Philip and Thornhill, Adrian. (2003). *Research Methods for Business Methods*. Prentice Hall.
- Saunders, Richard. (1996). Economic Structural Adjustment Programme's Fable II. *SAR, Volume 11, No.4, July 1996. p8*
- Sayer, G. (1998). *Kenya Promised Land?* Oxfam G.B.
- Schwandt, Thomas, A. (2000). Three Epistemological Stances for Qualitative Inquiry: Interpretivism, Hermeneutics and Social Constructivism" in *Handbook of Qualitative Research*. 2<sup>nd</sup> ed., edited by Norman K. Denzin and Yvonna, S. Lincoln. Thousand Oaks, CA: Sage.
- Schott, F. H. (1959). Inflation and Stabilization Efforts in Chile, 1953-58. *Inter-American Economic Affairs, 1959 pp 4-14*



- Scott, G. (1998). Who Has Failed Africa? IMF Measures or the African Leadership. *Journal of Asian and African Studies*, Vol.33, No.3 August 1998.
- Seabrook, Jeremy. (2003). *The No-Nonsense Guide to World Poverty*. New Internationalist. Verso Publications.
- Seale, C. (1999). Quality in Qualitative Research. *Qualitative Inquiry*. Vol. 5, No. 4. June 1999 pp 465-478
- Seers, D. (1962). *A Theory of Inflation and Growth in Underdeveloped Economies Based on Experiences of Latin America*. Oxford Economic Papers.
- Shillington, K. (1992). *Ghana and the Rawlings Factor*. London: MacMillan.
- Skidmore, T. E. (1967). *Politics in Brazil, 1930-1964*. New York: Oxford University Press.
- Skinner, D., Tagg, C. and Holloway, J. (2000). Managers and Research: The Pros and Cons of Qualitative Approaches. *Management Learning* 31 No.2 June 2000: 163-179.
- Smith, Lawrence, D. (1999). *Conceptual Issues Underlying Agricultural Parastatal Reform*. FAO, Rome.
- Smith, Lawrence, D. (2001). *Reform and Decentralization of Agricultural Services: A Policy Framework*. FAO, Rome.
- Social Research Association. (2001). *Ethical Guidelines*. Available at: [www.the-sra.org.uk/ethics.htm](http://www.the-sra.org.uk/ethics.htm) (Accessed 22nd March 2004).
- Sriskandarajah, M. (1991). *Sustainable Development and Community Resilience*. Oxford Press.
- Stake, Robert. (1995). *The Art of Case Study Research*. Thousand Oaks, CA: Sage.
- Stake, Robert, E. (2000). Case Studies in *Handbook of Qualitative Research*. 2<sup>nd</sup> edition, edited by Norman K Denzin and Yvonna S. Lincoln. Thousand Oaks, CA: Sage.
- Startup, J. (2005). *What is NEPAD?* Available at: <http://www.uiowa.edu/ifdebook/faq/NEPAD.shtml> (Accessed 17th March 2008)
- Stedman, S.J. (1991). *Peacemaking in Civil War: International Mediation in Zimbabwe*. London: Lynne Rienner.
- Stein, L. and Howard, D. (1992). *Deindustrialization, Adjustment, the World Bank and the IMF in Africa*. Working Paper. World Bank, Africa Technical Department, Washington, D.C.
- Stemler, Steve. (2001). *Practical Assessment, Research and Evaluation*. PAREonline.net

Stenbacka, C. (2001). Qualitative Research Requires Quality Concepts of its Own. *Management Decision*. Vol. 39. No.7, 2001 pp 551-555

Stiglitz, J.E. November (1998). Foreword to "Assessing Aid: What Works, What Doesn't, and Why". A World Bank Policy Research Report.

Stoneman, C. (1989). *The World Bank and IMF in Zimbabwe in Structural Adjustment in Africa*, ed. Campbell, B.K. Loxley, J. Macmillan, London.

Straup, D., Gefen, D. and Boudreau, M. C. (2004). The ISWorld Quantitative, Positivist Research Methods Website. Available at: <http://dstraub.cis.gsu.edu:88/quant/> (Accessed 12<sup>th</sup> April 2008)

Strauss, Anselm and Corbin, Juliet. (1998). *Basics of Qualitative Research: Techniques and Procedures for Developing Grounded Theory*. 2<sup>nd</sup> edition. Thousand Oaks, CA: Sage.

Stubbs, A. (1979). *Land Use and Related Issues in the Tribal Trust Lands in Rhodesia*. Paper to the Conference of the Institute of Rhodesia Agricultural Extension.

Summers, L. and Pritchett, L. (1993). Structural Adjustment Debate. *The American Economic Review*, Vol.83 No. 2. May 1993, pp 383-389.

Sunkel, O. (1961). *Inflation in Chile: An Unorthodox Approach*. International Economic Papers, No.10.

Swamy, G. (1994). Kenya: Patchy, Intermittent Commitment in Husain and Faruque, *Adjustment in Africa, Lessons from Country Case Studies*. 1994.

Tamarkin, M. (1990). *The Making of Zimbabwe*. London Frank Cass.

Taylor, S.D. (1999). *Business and Politics in Zimbabwe's Commercial Agriculture Sector*. African Economic History.

The Economist. (December, 1995). Africa Report.

The Halifax Initiative, (1997). *Structural Adjustment Programme*.

The Whirled Bank Group. (2003). *Structural Adjustment Program*. Bank Article. Available at: [www.whirledbank.org/development/sap.html](http://www.whirledbank.org/development/sap.html) (Accessed 27<sup>th</sup> January 2004).

The World Bank Group (2001). *About Us*. A Fact Sheet.

Thyer, B. (1989). First Principles of Practice Research. *British Journal of Social Work* 19 (4)



- Todaro, M.P (1989). *Economic Development in the Third World*. Fourth Edition. Longman Group
- Todaro, M.P and Smith, S.C (2006). *Economic Development*. Ninth Edition. Pearson Education Limited
- Transitional Government (1978). *Integrated Plan for Rural Development in Zimbabwe-Rhodesia*. Government Printers.
- Travel Document Systems. (2003). A Report on Zimbabwe.
- Trochim, William, M. K. (2002). *Research Methods Knowledge Base*. A Handout. Available at: <http://www.socialresearchmethods.net> (Accessed 1<sup>st</sup> February 2004).
- Tsikata, Y.M. and May, P. (1999). *Aid and Reform in Ghana*. A World Bank Project Paper.
- Tumusiime – Mutebile, E. (1995). Management of the Reform Programme in Langseth, P., Katobor, J., Brett, E. and Munene, J. eds., *Uganda Landmarks in Rebuilding a Nation*, Fountain Publishers, Kampala 1995.
- Unicef (2000). *Adjustment with a Human Face*. Fact Sheet.
- United Nations. (1990). *Practical Measures Against Corruption*. New York: United Nations.
- United Nations Development Programme. (2003). *The Millennium Development Goals*. UN Report Paper.
- UN/ECA/FAO. (1964). *Economics Survey Mission to Northern Rhodesia*. Falcon Press, Ndola, Zambia.
- United Nations Research Institute for Social Development Report (1998). *Structural Adjustment, Global Integration and Social Democracy*.
- United Nations Research Institute for Social Development Report (1999). *Structural Adjustment in a Changing World!*
- U.S. General Accounting Office (Programme Evaluation and Methodology Division). (1990). *Case Study Evaluations*. Washington D. C.: Government Printing Office.
- U.S. General Accounting Office (1996). *Content Analysis: A Methodology for Structuring and Analysing Written Material*. GAO/PEMD-10.3.1 Washington, D.C.
- Van Maanen, J. and Kolp, D. (1985). *The Professional Apprentice: Observations on Fieldwork Roles in two Organisational Settings*. Research Paper.
- Van de Walle, Nicholas and Timothy Johnston. (1996). *Improving Aid to Africa*. Washington, D.C.: Overseas Development Council.

- Weber, R. P. (1990). *Basic Content Analysis*, 2<sup>nd</sup> ed. Newbury Park, CA.
- Webster's Revised Unabridged Dictionary. (1913). Available at: <http://dictionary.die.net/development%20theory> (Accessed 8<sup>th</sup> April 2008)
- Welch, Carol. (1999). *Arming NGO's with Knowledge: A Guide to the International Monetary Fund*. Washington, D.C. Friends o the Earth.
- Wells, P. (1994). Ethics in Business and Management Research. In Wass, V. J. and Wells, P. E. (eds.), *Principles and Practice in Business and Management Research*. Aldershot, Dartmouth.
- Wengraf, Tom. (2001). *Qualitative Research Interviewing*. Sage Publications.
- West, E. (1989). *The Politics of Hope: Zambia's Structural Adjustment Programme, 1985-1987*. Yale University.
- Westlake, M. (1994). *Structural Adjustment and the Provision of Agricultural Services in Sub-Saharan Africa*. FAO Rome
- Wikipedia. (2000). *The Free Encyclopedia*.
- World Bank. (1988). *Beyond Adjustment: Towards Sustainable Growth with Equity*.
- World Bank. (1988). *The World Bank's Support for the Alleviation of Poverty*. Washington D.C. The World Bank.
- World Bank. (1989). *Sub-Saharan Africa: from Crisis to Sustainable Growth*.
- World Bank. (1991). *Zimbabwe Agricultural Sector Memorandum*. Volume II. Main Report.
- World Bank. (1994). *Adjustment in AFRICA*. Policy Research Report. Published for the World Bank. Oxford University Press.
- World Bank. (1994). *Kenya: Poverty Assessment*. Washington D.C.
- World Bank, (1994). *Zambia Poverty Assessment (Volume I – V) Report No. 12985 – ZA* (November).
- World Bank. (1997). *Country Assistance Review*.
- World Bank. (1998). *Assessing Aid: What Works, What Doesn't, and Why*. Oxford University Press.
- World Bank (1999). *Cote d'Ivoire Country Assistance Review Report No. 19422*.
- World Bank Report. (2000). *Can Africa Claim the 21<sup>st</sup> Century*.
- World Bank Group. (2001). *Working for a World Free of Poverty*. Fact Sheet.



World Commission on Environment and Development. (1987). *Our Common Future*. Oxford: Oxford University Press.

World Commission on Environment and Development. (2002). *Our Common Future*. Oxford, England: Oxford University Press.

World Development Movement. (May 2005). *Denying Democracy: How the IMF and World Bank Take Power from People*. WDM.

Yin, Robert, K. (1994). *Case Study research*. 2<sup>nd</sup> Edition. Sage Publications.

ZIMACE. (2000). *Traders*.

*Zimbabwe Agricultural Journal*. Vol.77 (1) (1980). Natural Regions of Zimbabwe.

Zimbabwe Congress of Trade Unions (1996).

*Zimbabwe Journal of Economics*, July 1984.

Zyzanski, S. J. , McWhinney, I. R. , Blake, Jr. R. and Crabtree, B. F. (1992). Qualitative Research – Perspectives on the Future, in Crabtree, B. F. and Miller, W. L. (eds), *Doing Qualitative Research Methods for Primary Care*, Vol. 3, pp 231 – 248. Sage. London.

## **APPENDICES**



## Appendix 1

### IMF Monetary Model:

$$\Delta MO = k \Delta Y \quad (1)$$

The change in a country's money supply ( $\Delta MO$ ) is proportional to the change in its income ( $\Delta Y$ ) by a factor  $k$ , which is the inverse of the velocity of circulation of money ( $Y/MO$ ); thus,  $k = MO/Y$

$$M = mY \quad (2)$$

The demand for imports ( $M$ ) is a function of a country's income ( $Y$ ), where  $m$  is the country's marginal propensity to import.

$$\Delta MO = \Delta R + \Delta D \quad (3)$$

The change in the money supply ( $\Delta MO$ ) is by definition equal to the change in a country's foreign reserves ( $\Delta R$ ) plus the change in the domestic credit of the banking system ( $\Delta D$ ).

$$\Delta R = X - M + K \quad (4)$$

The change in foreign reserves ( $\Delta R$ ) is by definition equal to exports ( $X$ ) minus imports, plus net capital inflows of the non-bank sector ( $K$ ).

The set of four equations in the model constitutes the logical core of the IMF's programming exercise, which is known as "financial programming." From the early 1950's, it has been the centrepiece of the analysis leading to the IMF conditionality - the policy actions that a borrowing country must take to have access to IMF credit.

## Appendix 2

### Research Group Descriptions

#### 1. Research Group: Communal Farmer

Movement within interview category:	Nil. Has been a communal farmer for most of his life.
Date/time of interview:	21 <sup>st</sup> April 2004 in the morning.
Venue for interview:	Farmer's homestead in Madziwa Communal Area (Shamva district) 90 kilometres (km) North of Harare.
Age range of interviewee:	60-70 years.
Gender:	Female
Other issues:	Basic education – up to Grade 7 (equivalent to year 7 in England) Semi-literate. Supported by husband in farming activities. Husband works in Bindura (a farming town), which is 50 km. from his home, and comes home every weekend and public holidays. Respondent is a second wife. A cotton, maize and groundnut grower.
Specific notes on location which might be of further interest:	Nearest sales outlet 20 km. away (cotton transit depot). Medium to heavy rainfall area. Soils not fertile – require a lot of fertilisers.
Generic research question:	Availability of inputs and extension services.
Specific research question to this category of respondent:	Explain how you procure your agricultural inputs. Who advises you on the type of inputs to purchase? Discuss price fluctuations and their impact on your farming operations.

#### 2. Research Group: Resettlement Farmer.

Movement within interview category:	A former communal farmer. Resettled in 1984 to an area over 30km. from his previous home (Bushu Communal area).
Date/time of interview:	21 <sup>st</sup> April 2004 in the afternoon.
Venue for interview:	Farmer's homestead at Upton Farm Resettlement area in Shamva district – 60km from Harare.
Age range of interviewee:	50-60 years.



Gender:	Male.
Other issues:	Failed 'O' Levels. Has a Master Farmer certificate. Married to one wife. Has two sons working in Harare and three daughters married and leaving in Bushu communal area. Grows maize, burley tobacco (air cured) and paprika.
Specific notes on location which might be of further interest:	Markets tobacco in Harare – 60km away. Paprika is grown on a farming contract and is collected from his farm. Good rainfall area. Previous large-scale farmer, owner of this resettled property, was an average farmer. Soils have fairly good fertility, but do require fertilisers to get above average yields.
Generic research question:	Marketing strategies.
Specific research question to this category of respondent:	Why do you grow non-food crops? What is the grading and pricing structure of your cash crops? Explain your margins.

### 3. Research Group: Small Scale Farmer.

Movement within interview category:	Nil. Born and bred on the farm.
Date/time of interview:	22 <sup>nd</sup> April 2004 in the afternoon.
Venue for interview:	Farmer's homestead in the Muda Small Scale farming area, 60km West of Harare.
Age range of interviewee:	50-60 years.
Gender:	Male
Other issues:	Has good education. Passed five 'O' Levels. Disabled. Has been farming most of his life. Not married. Inherited farm by default (only son willing to run the farm after the passing away of the father). Brothers relocated to urban areas. Grows maize, burley and oriental (sun cured) tobaccos and runs a herd of ten cattle. Farm is 50 hectares (ha) in size. Poor sandy soils, which require heavy fertiliser application.
Specific notes on location which might be of further interest:	Farm is about 20km from a Grain Marketing Board maize collection depot and all tobacco and beef is marketed in Harare.

Generic research question:	SAP's and their impact on farming operations.
Specific research question:	What do you find to be the major impact on SAP's on your farming operations? What do you understand about SAP's? Give the positives and negatives of SAP's?

#### 4. Research Group: Large Scale Farmer.

Movement within interview category:	Forced out by government supported War Veterans (of the Independence struggle) of his 1000ha farm situated 20km West the town of Marondera ( town is 75km East of Harare). This was a family farm for generations.
Date/time of interview:	19 <sup>th</sup> of April 2004 in the morning.
Venue for interview:	Marondera town where the farmer is staying in a rented accommodation.
Age range of interviewee:	50-60 years.
Gender:	Either
Other issues:	Husband and wife team of farmers. Husband has a Diploma in Agriculture obtained at Gwebi Agricultural College (20km North West of Harare) in 1965. Wife did the accounting side of the farm. Grew flue-cured tobacco, horticultural crops for export, seed maize and ran a beef herd of 300 cattle.
Specific notes on location which might be of further interest:	Currently doing nothing. Hoping things will change and improve and go back to their farm. Marketing of tobacco was done at the tobacco auction floors in Harare. Seed maize was grown under contract to the Seed Coop. Horticultural crops were airlifted from Harare Airport to various destinations in Europe.
Generic research question:	Impact of SAP's.
Specific research question:	How has Zimbabwean farmers benefited from SAP's?



## 5. Research Group: IMF/World Bank Representative

Movement within interview category:	Resident official of IMF/World Bank who covers Southern Africa developing countries including Zimbabwe. Experience of SAP's in those countries.
Date/time of interview:	19 <sup>th</sup> April 2004 in the morning.
Venue for interview:	IMF/World Bank offices in Harare.
Age of interviewee:	n/a
Gender:	n/a
Other issues:	n/a
Specific notes on location which might be of further interest:	n/a
Generic research question:	Purpose and objectives of SAP's.
Specific research question:	Please define, in the words of IMF/ World Bank, the meaning and purpose of SAP's? Who are the target population and why?

## 6. Research Group: Cotton Company of Zimbabwe (Agricultural Companies)

Movement within interview category:	National marketing company for cotton.
Date/time of interview:	19 <sup>th</sup> April 2004 in the afternoon.
Venue for interview:	Cotton Company of Zimbabwe offices in Harare.
Age of interviewee:	n/a
Gender:	n/a
Other issues:	Respondent to be of senior level in the organisation.
Specific notes on location which might be of further interest:	The company has most of its marketing outlets situated in the cotton growing areas of Zimbabwe. The company was originally state owned. Privatised in the early 1990's
Generic research question:	Trade Liberalisation.
Specific research question:	What marketing benefits and advantages has your company received from the time it was privatised? What marketing strategies has your organisation put in place to wade off competition?

### 7. Research Group: Academics.

Movement within the interview category:	An academic who has been involved in agricultural reform programmes in Zimbabwe.
Date/time of interview:	24 <sup>th</sup> April 2004 in the evening.
Venue for interview:	Most appropriate venue, for example, hotel room.
Age of interviewee:	50-70 years
Gender:	n/a
Other issues:	n/a
Specific notes on location which might of further interest:	n/a
Generic research question:	IMF Monetary Model.
Specific research question:	Why does IMF/World Bank use the same monetary model/framework to both developed and developing countries?



## **Appendix 3**

### **Check Questions for the First Phase Fieldwork**

#### **1 IMF/World Bank Interview Questions.**

- 1) Why do the IMF/World Bank insist on issuing the same IMF Monetary Model for each and every country that seeks financial assistance from them regardless whether the country is developed or developing?
- 2) Why do structural adjustment programmes work in some sub-Saharan African countries and not in others?
- 3) In most of the reforming countries in sub-Saharan Africa there is evidence that living standards are declining. Why is this so?
- 4) What is the envisaged role of the communal/resettled farmer within the SAP's as regards to the agricultural production and marketing strategies in Zimbabwe?
- 5) How does the IMF/World Bank envisage helping Zimbabwe market its agro-produce given the existence of prohibitive and sometimes anti Third World trade tariffs?
- 6) Today, substances and chemicals used mainly by developed countries are depleting the ozone layer resulting in global warming. What is the IMF/World Bank doing about this?
- 7) Please explain what has gone wrong with the SAP's in sub-Saharan African countries?
- 8) Why is growth almost stagnating in Africa despite countries participating in SAP's?
- 9) What is the IMF/World Bank position on genetically modified crops as a way of revitalising the fledging agro-economies of sub-Saharan Africa and Zimbabwe in particular?
- 10) Why does IMF/World Bank not encourage investment in irrigation in sub-Sahara Africa as was done in Asia's Green Revolution? Only 2% of land in sub-Saharan Africa is under irrigation.
- 11) How can we justify a poor country giving more money each year to pay for its debts to wealthy bankers (IMF/World Bank) than it spends educating its children or healing its sick? Cameroon, for example, will have its annual debt payments reduced to 40% over the next five years, but the country will still be paying an average of US\$280 million per year, compared to US\$239 million per year spent on education and US\$87 million per year spent on health care.
- 12) In the donor world there is an assertion that "aid cannot buy reform". What are your comments?
- 13) There is evidence (some of it produced by employees of IMF/World Bank) that shows that countries with good policies receive less assistance than countries with poor or mediocre policies. Why is this?
- 14) There is tendency by donors (including IMF/World Bank), NGOs and some governments to use expatriate technical assistance in developing African capacity to manage agriculture. Why not use home grown expertise?
- 15) What are the objectives for agricultural reform in sub-Saharan Africa as envisaged by IMF/World Bank?

- 16) It has been found that reform outcome could be predicted by underlying political-economy variables such as length of tenure of the government and whether the leader was democratically elected. What are the views and experiences of the IMF/World Bank?
- 17) Do donors tailor their assistance to different types of countries and to different phases in the reform process, or just provide undifferentiated assistance? Please explain your answer in reference to the IMF Monetary Model.
- 18) What are the common characteristics of successful and failed reformers that can enable one to understand better the political economy of reform?
- 19) It is noted and often stated that it is difficult to find a case where reform occurred without a crisis. In 1983 Ghana reformed when inflation was over 100% and Nigeria had announced it was expelling 1.2 million Ghanaians (10% of Ghana's population). Why is this so?
- 20) Please comment on the following four main areas which summarise criticisms of the IMF's activities in less developed countries: (a) fund programmes are inappropriate – the criticism says that IMF's approach to policy is preoccupied with the control of demand as a unique tool for reducing inflation and levels of imports, and is too little concerned with structural weaknesses in balance of payments, which are the outcome of a fractured system of production. (b) Fund operations infringe on the sovereignty of states. It is argued that the Fund's modes of operation and inflexibility in negotiations infringe the sovereignty of states and alienate governments from the measures they are supposed to implement. (c) The IMF credits and programmes were too small, expensive and short-term, which is highly damaging. (d) The IMF is dominated by a few major industrial countries, which amounts to an extension of the economic and political world domination by those major industrialised countries. It is argued also that because of the above, the IMF pays little heed to views of developing countries.
- 21) It is argued in reform literature that the economic strategies of the IMF/World Bank serve the interests of Western monopoly capital and not those of the broad masses of people of the Third World. Please comment.
- 22) What are the major constraints of agricultural development in sub-Saharan Africa?
- 23) Many of the conditions required for agricultural development are not unique to agriculture. Poverty reduction through agriculture requires supportive macro-economic and investment; improved access by poor people to infrastructure, education, health and financial services; secure property rights; and fair and transparent systems of governance. How does the IMF/World Bank ensure that these conditions are met or adhered to by reforming governments?
- 24) The IMF/World Bank use various indicators in reform programmes to find out if countries are succeeding or failing in reform programmes. How are these indicators set? Why? Are reforming nations involved in drawing-up these indicators?



## **2 Communal, Resettlement and Small-scale Farmers Interview Questions.**

- 1) How much has cuts in government spending on roads and transport systems, as well as processing, storage and distribution systems affected your marketing of produce competitiveness?
- 2) It is noted that there has been loss of information which was once provided by state marketing boards, by an insufficiency of technical services and high interest rates. How has this affected your agricultural production?
- 3) How do you manage to meet quality standards set by marketing boards?
- 4) What has attributed to the decline in the cattle population in Zimbabwe?
- 5) How much does your agricultural planning and production depend on input credit schemes? What problems do you encounter in order to obtain credit and pay it back?
- 6) What type of information and assistance, if any, do you receive from marketing organizations who purchase your produce?
- 7) Explain the process you use to market your agricultural produce. Do you use middlemen? If so, why take this route?
- 8) In general farmers are expected to respond rationally by allocating more of their productive resources to those commodities that fetch higher prices and hence increase their household incomes. What are your comments to these views? Give examples and views.
- 9) One of the major objectives of agricultural reform is to improve producer prices. What are your experiences in Zimbabwe?
- 10) Investigations have found that the reform policies have led to a reduction in the capacity of rural communities to produce their own food due to the rising cost of agricultural inputs. Land has been shifted from the cultivation of maize and other food crops to that of other high-revenue generating export crops, such as paprika, cotton and tobacco. Do you agree with these comments? Please explain your answer.
- 11) What do you understand by IMF/World Bank structural adjustment programmes?
- 12) Explain your income earnings in agricultural production before and after independence. Give details of the availability and costs of inputs during the two periods in question.
- 13) What choice do you have to produce crops which make you economically viable? Give examples of crops you can grow and where do you get advice and assistance to grow them. How do you market the crops?
- 14) Give your views on women in rural agriculture. Who are better farmers men or women? Explain your answer.
- 15) How have droughts and floods affected your agricultural production? Are you aware what cause droughts and floods? Please explain.
- 16) If you had a choice between dry land (rain fed) cropping and irrigating your crops, which system would you select? Give details as regards your choice. What is the irrigating of crops in your home region?

- 17) Have you ever thought of settling in one of the cities/towns? Why? What are the benefits of staying in the rural areas tilling the soil?
- 18) What type of agricultural cropping do you think will make you, your family and your country self-sufficient in food and cash?

### **3 Agricultural Companies Interview Questions.**

- 1) One of the objectives of IMF/ and World Bank is to facilitate the expansion and balanced growth of international trade, and to contribute thereby to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members as primary objectives of economic policy. What are the views of your organisation as regards to this? Do you see your company as a participator in international trade? Why?
- 2) Give benefits, if any, of privatization of agricultural marketing as a result of reduction of direct state involvement in the production, distribution and marketing of agricultural inputs and commodities.
- 3) It is noted that globalization of market forces – vigorously promoted by the IMF/World Bank create greater inequality. What are the experiences of your organisation?
- 4) Agricultural reforms have exacerbated inequalities, that is, export promotion, import liberalisation and the withdrawal of government support in the agricultural sector have served to reinforce differentiated access to resources for production. Where exports have expanded and earnings increased despite being subject to world price fluctuations, much of the economic benefits have accrued only to large-scale producers, as small-scale producers have lacked equal opportunities to enter and gain within a liberalised market. What are your findings as an agricultural organisation?
- 5) The income of farmers overall has not improved as a result of reforms especially with the removal of production subsidies. Please can you comment on this statement?
- 6) What is the impact of agricultural parastatal reforms on the delivery of functions such as marketing, processing, and production of certain commodities, research, extension and credit?
- 7) A key factor determining the effectiveness of an organisation is the potential and actual competition it faces. The liberalisation of trade, the removal of barriers to entry and the initiation of financial reforms can encourage competition. What is the type of competition your organisation has faced since the start of reform programmes in Zimbabwe? What strategies have you used to be on top of your competitors?
- 8) Where and how do you market the commodities you purchase from farmers? If you are exporting, what effects do trade tariffs and barriers have on your organisation's viability?
- 9) The IMF/World Bank and most Northern governments are strong advocates of trade liberalisation. In the case of the IMF/World Bank advocacy has been backed by loan conditions which require countries to reduce their trade barriers. Partly as a result of these loan conditions, poor countries



have been opening up their economies much more rapidly than rich countries. How has this affected your operations in general? What measures have you taken to overcome trade tariffs?

- 10) In sub-Saharan Africa, the success of agricultural growth strategies will depend critically on measures to maintain soil fertility and prevent land degradation. What is your company doing in order to help out and create awareness on these issues?
- 11) If your organisation offers credit schemes, what indicators do you use for successful farmers? What measures do you use to collect what is due to your organisation? Is this sustainable?
- 12) In order to improve crop yields, IMF/World Bank are sometimes seen giving direct funding to exporting marketing organisations. This funding is mainly used for procuring farming inputs for credit schemes and extension services. Is your organisation getting such funding? How are you paying back for this? What benefits are being realised from this, if any?

#### **4 Academics Interview Questions.**

- 1) What do you understand by the terminology Structural Adjustment Programmes?
- 2) Are there common characteristics of successful and failed reformers that enable us to understand better the political economy reform?
- 3) In general what are the causes of reform programmes?
- 4) Explain how aid has encouraged, generated, influenced, supported or retard reforms?
- 5) What kind of agricultural technology is required for the future in Africa in order to alleviate poverty and to have food security, especially for the rural people?
- 6) In Africa (including Zimbabwe) agricultural research and extension services are ill-funded but these are major tools for encouraging farmers and private industry to manage the natural resources found in farming areas. Why are governments paying lip service to these important and crucial services?
- 7) What role should farmer organisations play in agricultural reform programmes?
- 8) Why is Africa so under-developed despite the great abundance of wealth underneath the continent's soil? What exactly are the causes of the African development crisis? How can the continent be saved from economic and social catastrophe? What does the future hold for Africa?
- 9) The IMF/World Bank and their supporters argue that trade liberalisation measures such as the removal of price controls on commodities has an effect of increasing the amount of goods produced, thereby providing more employment for the people, and increase productivity that earns more foreign currency from exports. What are your experiences?
- 10) What are the origins and causes of SAP's in Zimbabwe?
- 11) The IMF/World Bank and reform-minded politicians and economists have often argued that there are no other alternatives to SAP's in Zimbabwe. In 1992 the Senior Minister of Finance, Economic Planning and Development, the late Dr. Bernard Chidzero, even warned his country-people that to abandon SAP's meant the economy would literally collapse. Give your views on

this statement.

- 12) We know that in Africa development and public expenditure on agriculture have declined. This reflects the withdrawal of the state from direct involvement in production and marketing and a perception that the impact of past public expenditures has been disappointing. But what about private investment? Are levels adequate to achieve poverty goals? If not, why not and what actions are needed to encourage greater private investments?
- 13) The observation in sub-Saharan Africa is that the withdrawal of direct involvement by the state has led to the fragmentation of input and output markets. How far, and under what circumstances, will markets be relied upon to achieve growth and poverty reduction? Under what conditions has the private sector responded to market deregulation? How can the state intervene to improve the poor people's access to markets in a way that reduces their vulnerability?
- 14) Most of the criticism in the last twenty years has been in relation with the IMF/World Bank imposing structural adjustment policies as a condition for a country to receive a loan to fund projects. Time Magazine commented: "Structural adjustment is often proposed by the IMF and then made a condition for the approval of bank loans. Steps such as privatisation of state-owned industries, currency devaluation, fiscal austerity, and export-oriented strategies are advocated by the Bank with a view to attracting foreign investment and promoting long-term growth. But governments frequently pay for such programmes by cutting back on subsidies on food and other basics crucial to the poor" What is your position on this?
- 15) Across Africa, projects funded by the IMF/World Bank have become synonymous with financial mismanagement, environmental degradation, the displacement of vulnerable populations and corruption. What should the IMF/World Bank do to make their programmes popular?
- 16) The IMF Monetary Model is still being used since its inception over fifty years ago. Why is it still useful today?
- 17) In Zimbabwe one of Africa's most highly developed formal economies has disappeared. Please explain the reasons that led to this.
- 18) Zimbabwe government's commercialization of some parastals greatly reduced government paid subsidies but several of these still remain a heavy drain on the fiscus, in particular Zimbabwe Iron and Steel Company (ZISCO) and the Grain Marketing Board. Why does government cling to organisation like these?
- 19) What are the benefits and objectives of SAP's?
- 20) The government of Zimbabwe released in February 1991 a document entitled "Zimbabwe: A Framework for Economic Reform 1991-1995". What benefits/problems did this produce for the country? Why?
- 21) Please give a reform programme framework/model which you think will be workable for developing countries in sub-Sahara Africa.



## **5 Large-scale Farmers Interview Questions.**

- 1) Most countries in sub-Saharan Africa are implementing SAP's in order to improve their economies. What do you understand by the IMF/World Bank reform programmes?
- 2) It has been noted that both large-scale and small-scale farmers were not consulted when reform policies were designed. Policy design has been the preserve of technical experts in the ministries of Planning, Finance and Agriculture and IMF/World Bank. What is your reaction to this? Why do you think you were not invited to participate?
- 3) One of the basic principles behind agricultural market liberalisation is that, the removal of distortions in the market will eventually increase the real producer prices for specific commodities, benefiting individual farmers and giving them a direct incentive to increase production of those goods. Did you experience this? Give reasons to your answer.
- 4) In Zimbabwe, the production of maize (staple food) increased marginally from 1.42 million tonnes in 1997/98 to 1.54 million tonnes in 1998/99 – a level of production that remained below the approximately 2.5 million tonnes required for human consumption and livestock feed. This shortfall in production is attributed to liberalisation, which has resulted in the shift to tradables, such as horticultural products and wildlife farming. Please give your views/opinions on this.
- 5) What choice do you have for the production of crops which make your farming operations economically viable? Give examples of crops you can grow and where do you get the advice and assistance to grow them?
- 6) How do you market both your export and local agricultural commodities? What problems do you encounter when marketing your produce?
- 7) In order to compete favourably, in marketing your produce, you are required to meet certain quality standards. How capable are you in meeting standards set by marketing organisations? What do you do to achieve these quality standards?
- 8) One of the major objectives of agricultural reforms is to improve producer prices. What are your experiences in this country?
- 9) How much does your agricultural planning and production depend on loans from banks? What problems are you encountering to obtain these loans and what is your ability to honour your debts?
- 10) It is noted that in Zimbabwe, there has been loss of information which was once provided by state marketing boards, by an insufficiency of technical services and by high borrowing interest rates. How has this affected your agricultural production? What measures have you taken to address this situation?
- 11) In Zimbabwe droughts and floods are now a common phenomenon. How has these affected your agricultural production? What measures have you done to lessen the impact of droughts? Are you aware of what causes droughts and floods?
- 12) Adjustment programmes often have adverse effects in the short term on food security, especially of the poor and vulnerable sections of the population. How efficient are these programmes in the

ability to raise incomes and improve food security particularly of the poorest groups, which include your farm workers?

- 13) One of the events of recent years which has overshadowed Zimbabwe's economic scene is the long standing pressure to re-distribute commercial farm land. How can land re-distribution be carried out so that all people of this country benefit both economically and socially?
- 14) It has been observed that agricultural reforms have exacerbated inequalities. Where exports have expanded and earnings increased despite being subjected to world price fluctuations, much off the economic benefits have accrued only to large-scale producers, as small-scale farmers have lacked equal opportunities to enter and gain within a liberalised market. As a large-scale farmer what kind of help and expertise can you offer to improve this situation?
- 15) Agricultural adjustment policies have led to environmental problems. Sector-reform policies have favoured large-scale monoculture and led to a further concentration of resources. These new patterns of agricultural production are polluting land and water with chemicals from intensive and uncontrolled fertiliser and pesticide use, depleted water tables through irrational use of irrigation, caused soil erosion and exhausted vital natural resources. Are you aware of this and what are you doing to help minimize this?



## Appendix 4

### Interview Schedule and Summary.

DATE	TIME	CATEGORY INTERVIEWED	HIGHLIGHTS OF INTERVIEW
19/04/04	0900	Briefing session with gatekeeper.	Discussing the interview timetable and logistics. Scheduled in a meeting with ZFU
20/04/04	1000	Meeting with ZFU representatives in Harare.	ZFU chiefs wanted to look at the interview questions. This was done. No problems emerged from this meeting.
20/04/04	1400	IMF/WB representative in Harare.	Respondent refused to answer certain questions because there were beyond his authority. This resulted in the researcher seeking for another respondent from IMF/WB. This was agreed on but the selected person had left Zimbabwe on transfer. Interview was scheduled for later on.
21/04/04	0900	Communal Farmer in Chinhoyi.	All went according to plan.
21/04/04	1200	Small Scale Farmer in Zowa (Chinhoyi).	Delay in starting interview. Farmer arrived late from a farmers' meeting. Road leading to this farm was in poor state of repair.

21/04/04	1600	Large Scale farmer in Banket.	All went according to plan
22/04/04	1000	Communal Farmer in Madziwa	No problems were encountered.
22/04/04	1500	Communal Farmer in Murehwa.	Bridges and culverts leading to this farmer's homestead had been washed away by rains. Travelling conditions were horrible because of this.
23/04/04 to 25/04/04			No interviews were carried out during this period. Most of the time was spent sourcing fuel. The country was experiencing severe fuel shortages. In order to carry out and finish the interviews successfully this was a necessary exercise. Managed to purchase enough fuel for the remaining research period of my stay Zimbabwe.
26/04/04	1000	Resettlement Farmer in Macheke.	All went well
26/04/04	1400	Communal Farmer in Hwedza	All went well but farmer thought I was from an international donor agency and he begged me to make sure his area received funding for road upgrading and maintenance
27/04/04	1100	Small Scale Farmer in	Interviews rescheduled



		Muda.	to the 5 <sup>th</sup> of May 2004 due to farmer attending to a bereavement in his family.
28/04/04	0900	Agricultural Company. Cotton Company of Zimbabwe in Harare	Interview was scheduled with the Chief Executive Officer but this was changed at the last minute and it was done with the Company Secretary who did a very good job.
28/04/04	1400	Agricultural Company. Agribank.	No problems encountered
29/04/04	0800	Communal Farmer in Seke	Stopped and questioned at a police road block on the way from this assignment. Police wanted to know why I was carrying two tape recorders and numerous tape cassettes. After a lengthy explanation and producing the letter form the University we were allowed to proceed.
29/04/04	1300	Resettlement farmer in Beatrice.	Hassle free.
30/04/04			Transcribing.
01/05/04 to 02/05/04			Weekend off for the gatekeeper. Researcher transcribing and reflecting and reviewing on information gathered so far.
03/05/04	0700	Large Scale Farmer in	All went according to

		Chegutu	plan.
03/05/04	1200	Resettlement Farmer in Selous.	Uneventful
05/05/04	1100	Small Scale Farmer in Muda.	This interview was rescheduled from the 27/05/04. We remembered to pass our condolences before the start of the interview.
05/05/04	1800	Academic person interview in Harare.	All went well.
06/05/04	1400	Debrief with gatekeeper.	
11/05/04	1700	Minister of Agriculture	“Thank you” meeting and seeking for permission for the 2 <sup>nd</sup> Phase of interviews which was given.
13/05/04	0900	2 <sup>nd</sup> Gatekeeper.	Detailed briefing on the 2 <sup>nd</sup> Phase of Field Research work schedule for April/May 2005



## **Appendix 5**

### **Communal Farmer Interview**

**DN:** Good morning Mr Goredema.

**G:** Goredema.

**DN:** Where is your farm located?

**G:** I am farming in the Karoi area. [DN: Karoi.] I am in the resettlement area called Huyo

**DN:** For how long have you been there?

**G:** I have been ..... I can say that I started farming in 1953. [DN: 1953 is way back. Where did you start your farming?] At the beginning I started my farming in Mhondoro. Then I went to learn farming at a government institute, when I was in Chitomborwizi. Then I bought a farm in Vuti in 1962. I lost my farm in Vuti during the liberation war. After the war I got a place to farming in Vuti but at a place called Huyo. I have been there since 1982.

**DN:** Can you explain, I see that you have a lot of experience. We hear these days that roads are in a poor state, it is difficult to move your produce to markets, haulage vehicles are experiencing fuel shortages and owners of these vehicles are refusing to send transport to you because the roads have no bridges. How is this affecting your farming operations?

**G:** Yes these things can affect operations. This is happening in areas where councillors are not working well with their constituency. In areas where councillors are working with their people this problem is has been addressed. There are people who are willing to help, this includes people who buy our produce.

**DN:** The people who buy your produce do they repair roads for you?

**G:** No. They don't. But they supply us with transport to ferry the produce. This problem could have been bigger but we as farmers have spoken to government as regards our tobacco crop. We have foreign currency that we earn. About 20% of the value of our tobacco crop is paid in hard foreign currency. We have been using this to import tractors. These tractors have been helping us to ease the transport shortages. These tractors are also able to move without difficulty on poor roads. But the most important thing is councillors must be willing to work with and for the people. There is a government programme called "Food for Work". This programme helps the repair and maintenance of roads on minor scale. There is another programme which deals with major repairs. There is the CAMPFIRE programme as well. This also helps in the repair and maintenance of roads.

DN: Therefore in your area you have not experienced the problem of bad roads?

G: No. The problem is minimal in our area. As I said earlier we see this problem in areas where district councillors spend their time fooling around in towns and not in areas where councillors are working for the people.

DN: Let's look at your farming operations. Who gives you farming expertise? I am talking here about extension workers. Are these available to help you?

G: Yes, extension workers their work rate varies from area to area. The government has done its best as regards extension workers. During the resettlement period the government employed more extension workers. But this now depends on the dedication of the extension workers. We find that some extension workers are hard working and would like to see their farmers prospering while others are lazy and don't make a lot of impact. We also find in farming that companies who market farming inputs are willing to provide extension services.

DN: What about those who buy your produce, do they provide extension services as well?

G: the buyers of our produce, first we had COTTCO for many years, then Cargill and now Farmers World. These organisations have become our enemies. [DN: Why is that?] Because they are now trying to cheat us. The producer prices they are offering are not attractive. Previously we worked with them successfully. But now because there are a lot of them, they don't care anymore. Especially last year and this season they are offering poor prices for cotton.

DN: are you saying that the cotton buyers are all working together to give you poor prices?

G: Yes they are working together. I believe they do hold meetings where they concur to give us poor prices. If we look at when we bought our inputs, the cost prices were not good for the farmer. We have informed these buyers of the high cost of inputs but they are not interested in increasing the buying price. This means that if the producer price is not increased to say Z\$5000 per kilogram, next season will see a drop in cotton farmers.

DN: Maybe you are being offered poor prices because you are presenting low quality cotton.

G: No. Our farmers are able to grow good cotton. When our farmers used to get loans from the former AFC, now Agribank, they used to get top producer prices. We have very good farmers. In this province, Mashonaland West, we have areas that we know produce good quality cotton, for example, in Sanyati, Hurungwe and Sechuru. These areas produce good quality cotton but the current producer prices are disappointing the growers.



DN: How do you make farming plans with the people who give you loans and those that give you crop inputs?

G: Our relationship with these organisations starting from last season has not been good. [DN: You have mentioned that you get assistance from two sources, that is, Agribank for loans and various marketing organisations for your inputs. What is the relationship here?] The relationship here has been that they would provide us with inputs on loan. The farmer will then use the inputs to produce a crop that he will then market and use the funds earned to pay back. But starting from last year into this year we have seen a reduction in assistance from these organisations. They have been very selective on whom this assistance was given to. [DN: Any reason for this? Maybe these chosen few are those who have been honouring their loan contracts.] These are the same people they have been working within the past. I think they are giving assistance to their puppets. The rest of us are being made to suffer by being denied assistance. They are operating a divide and rule system. This is now confusing our farmers. Production is suffering. The crops that have suffered most due to this are cotton and maize. The government is that GMB should have a monopoly on maize. Companies like Chibuku Breweries which used to compete for maize with GMB are being forced to buy their maize from GMB. But GMB on its own can't buy maize.

DN: We hear that the reason why the government is doing this is that many farmers have moved away from growing maize to cash crops like paprika, cotton and tobacco which are not food crops. Maybe government is making GMB the sole buyer so that maize is a controlled crop for strategic purpose. Because it is the staple food.

G: Yes we agree with that. But to increase volumes of maize is to have an attractive producer price. If the maize price is increased we will see plenty of maize in this country. The farmers in this country have the experience in maize production. All they require is the incentive for maize production. They can produce cotton and tobacco crops but maize is their best crop they can grow. Farmers are getting away from maize because of the price. Maize is an easy crop to produce whereas these other crops are difficult to grow. Maize production has simple input and labour requirement. The only reason people are running away from maize growing is the poor producer price. If the government increase the produce price farmers will grow maize. Yesterday we were speaking with the Ministry of Agriculture officials and we told them that we as farmers' representatives wanted an audience with the Minister. Otherwise if things are not sorted out the country will have no maize production. This can be seen by GMB's failure to buy maize last season.

DN: You have said that GMB are failing to pay farmers. Please can you explain this? Is GMB failing to pay for the maize which you as farmers would have delivered to them? How long do they take to pay after receiving maize from farmers?

G: Last year, for example, we said the maize price was low and therefore we asked the buyers to come and get the maize from the farm gate. This was in order to save the farmer the transport costs to market. GMB agreed to do this. But they only did this to a few farmers. Those farmers who had their maize collected in July/August last year (2003)



were only paid this year in March. This is not buying maize, it is getting maize from farmers for free.

DN: What reason is GMB giving for this delay in payment?

G: GMB is saying that it had cash flow problems. We do appreciate this problem but our main concern is receiving a good producer price. Let the farmer market his maize to whoever gives him a good price. This will ensure a lot of maize for the country.

DN: We have been discussing crops. What about livestock, cattle, goats, sheep, donkeys and poultry? What is the position with these?

G: The number of cattle is decreasing. The reason for this is that for many years we didn't have any outbreak of foot and mouth disease. But of late we have had outbreaks of this disease. Added to this a lot of cattle died during the 1992 drought. Therefore restocking hasn't gone according to our wishes. Tick control is also a problem.

DN: Please can you explain the problem in tick control?

G: There is a shortage of chemicals used for tick control. [DN: Maybe you farmers have stopped contributing to the tick control levy.] NO. The problem in this country is artificial shortages. These tick control pesticides, to our surprise, can be bought on the black-market. You won't find these at the veterinary outlets but only on the black-market. Where do these people get these pesticides? No one knows. [DN: Are these chemicals genuine?] That is not very certain because everything is sold in sealed containers. This goes for every farming input; you get them easy on the black-market. These dealers are not willing to divulge their source, otherwise their business is jeopardised. The prices are high and I think this is killing agriculture in this country. The government should quickly investigate this issue before things go out of control.

DN: What do you understand by IMF/WB structural adjustment programmes? These are known as ESAP in this country.

G: We don't understand ESAP. We haven't seen the advantages of going this route. [DN: Why is this?] Because we have not seen the advantages which ESAP was supposed to bring to the people. We were told that a free market of all things will be created, producer prices will be increased and attractive and all things would improve. But we have seen the worsening of things. Our experience is that ESAP is a failure.

DN: Explain your income earnings in agricultural production before and after independence.

G: Our income earnings were improved soon after independence, that is, between 1980 and 1982. During this period we were making good money in agriculture. We were happy. Because in all the agricultural marketing boards we as farmers had representatives. But this representation started to decline from 1996 to this day when the representation is almost zero. Things got worse. The new farmers were greatly affected



because the interest rates shot up significantly and the exchange rate went wild. I think things are not getting better. We are heading for tougher times. We are creating the problems and can't put the blame on anyone. Why is the government not doing anything to stop the black-market on our agricultural inputs? We want all inputs to be marketed by bona fide companies. I can negotiate for a good deal with a bona fide company but it's difficult to do the same with black-market people.

DN: Give your views on women in rural agriculture. Who are the better farmers, men or women? Explain your answer.

G: There are two things here. Female farmers who get the necessary agricultural inputs seem to be better farmers. There are a few male farmers who are good. When we talk farming it's the females. Because most of the time it's the women we see in the fields while men are attending endless meetings. As I talk to you now, my wife is supervising operations at my farm. Men are found at political, church and pub meetings.

DN: how do you prepare yourself against droughts?

G: Drought is one of our major problems. We have had our thoughts on this. If government promises are anything to go by we would like to have boreholes and dams so that in the event of a drought we could use these for irrigating our crops. We are experiencing a situation where dams are not enough. There is a scheme which was introduced to assist farmers with water to set up irrigation systems. But unfortunately this has also been riddled with corruption. There is a lot of nepotism and favouritism. Only those at the top are getting assistance. The small people are getting assistance after a protracted struggle. There are a lot of people who would like to take up irrigation farming but the opportunities are not there.

DN: Do you have a lot of farmers who prefer irrigation [G: Many.] to dry land farming?

G: Farmers have seen that irrigation is profitable. But initially our farmers were not keen to go irrigation farming. But now they have seen the light. Many are going this route.

DN: What type of agricultural cropping do you think will make you, your family and your country self-sufficient in food?

G: In today's farming the most profitable crops are tobacco; cotton used to be good but now the price offered is not attractive. Soya bean is another profitable crop. Some farmers had opted for paprika but there are now facing problems. We don't have experience with this crop. The crop is prone to attack from a lot of diseases. It has been a profitable crop. Farmers with irrigation facilities can go to flower production. I think all horticultural crops are profitable. Livestock farming has good money as well. But the shortage of chemicals for pest and disease control is now creating problems. This is also causing a decline in livestock numbers. So in summary livestock production, tobacco, paprika farming is profitable. Maize production is mainly for consumption on the farm but this can be profitable as well but the producer price currently offered is poor. Long



back we used to grow maize after looking at the price first. In those days the producer price used to be announced before the cropping season started. But now people are producing maize in the dark. Today's farming is big business even for us small scale farmers. We are now operating on commercial basis. That is why we demand to know the producer prices in advance. This helps us to plan and know the expected profits. But if you operate in the current environment you are faced with a lot of problems. That is why a lot of people are now going tobacco farming. As I said earlier we do have a lot of profitable crops in this country. It is the pricing policy that is killing our confidence. Sorghum is another profitable crop in the drier parts of the country. We have a scheme in which we are looking for assistance. We once got assistance from UNDP, Christian Care who provided sorghum seed for our farmers in the drier areas like Omay. But this scheme has had a slow start. Zimbabwe Farmers' Union has also started promoting cassava and sweet potato production in these dry areas. These crops have been introduced as alternative cash crops for farmers in dry areas.

DN: Do you hire labour for your farming operations? [G: Yes.] How much has AIDS/HIV impacted on your agricultural production operations?

G: A lot. AIDS/HIV has now become a big hindrance because if you go to places like Mubaira, Sanyati and Magunje, for example, which are growth points you find young men and women perishing because of this disease. We are now having a lot of orphans. [DN: So where are you getting your labour force from?] This is where we have a big problem. The workers we are getting now displaced large scale farmers. But these are not working satisfactorily. Workers are now a big problem. We have now reached an era where we will be using chemicals and machinery in place of labourers. The other problem created by this disease is that because of the dwindling labour pool, one is forced to hire labour from in and around the Growth Points. This type of labour will work for you during the day and at night will come to steal your crops. This same labour is very expensive and the output from them is low. If AIDS/HIV carries on without being slowed down this could spell the end of profitable farming. AIDS/HIV is killing the young people leaving the old people to look after families and farming operations. We are also facing destruction of our crops by wild animals. Wild pigs and warthogs are feeding on maize and eland are feeding on cotton.

DN: Mr. Goredema thanks very much.



## Appendix 6

### Content Analysis Small Scale Farmers

<b>COMMUNAL FARMERS RESPONSES</b>					
Questions:	Siya.	Matan.	Goredema	Barnabas	Memory
<u>INFR.</u>					
1. State of roads	Roads are currently in a bad state. Roads repaired a while ago but position has worsened.	Roads are okay. But a few areas have bad roads due to last heavy rains.	Roads are bad in areas where councilors are not working well with their constituency.	Roads are in a poor state.	Roads leading to our farms are now unusable. Roads are in a very poor state.
2. Impact created by poor roads.	This has resulted in shortage of haulage vehicles; this in turn delays our marketing of crops. Delays are, if too long, affecting the quality of our crops. We would like to market early in order to use the money earned for urgent and pressing issues, for example, wages for labour and school fees. At the moment each farmer is acting independently when it comes to sourcing transport for marketing crops. Our aim is to organize transport as a group.	Poor roads are affecting the availability of vehicles in areas where damage was created by the last heavy rains.	This is affecting farming operations in areas where district councilors are spending time fooling around in townships. The impact is minimal in my area because our councilors are working for the people.	Haulage transport is definitely a problem. There are delays in sending crops to markets. We do not have good storage facilities. Hence there is a need to transport crops for marketing as soon as there are ready.	No transport getting to us in order to ferry our produce to market. We carry our produce manually to areas where roads are in a better condition. We wait for long periods for transport to come and pick our produce to market.
3. What is causing the poor state of roads?	Too much rain, fuel shortages hampering the operations of road maintenance plant and equipment.	Lack of funds to maintain roads.	We do not have this problem in my area. We are well organized.	Government has abandoned all road maintenance work due to broken down equipment, fuel shortages, etc.	Road maintenance was done but in a haphazard manner. But of late nothing is being done; the blame was put on fuel shortages as a reason for no road maintenance.

					Situation has gone worse. Roads have been washed away and bridges destroyed.
4. What are you as a farmer doing about improving your roads?	We have held meetings to discuss funding of road maintenance. Prepared to give our council financial assistance. Nothing has been agreed yet. Matter still under discussion. We hope to overcome this problem by doing this.	We are organizing ourselves to do the repair and maintenance of our roads. It is proving difficult though because of varying backgrounds of our community. We are also seeking help from government as well. We have sought the assistance for the provision of transport from marketing companies that purchase our produce, for example COTTCO does provide tractors and lorries to move our cotton. The GMB has not responded positively. We have had promises to transport our tobacco. But must farmers are grouping together to source transport for the tobacco crop.	We have sought help from people who buy our produce – they supply us with transport. From our tobacco crop we have asked government to pay us in hard foreign currency (20% of the crop). We use this to import tractors. Tractors have helped us to ease transport shortages – tractors are able to move without difficulty on poor roads. The critical issue is councilors must be willing to work with and for the people. We also use the government's "Food For Work" programme to help repair and maintain roads, on a minor scale. The CAMPFIRE programme is also used to help in road upkeep.	Nothing. Waiting for central government to do something.	We do not have the capacity to initiate road maintenance and repairs. Our plans are useless with no capital. Small scale farmers have no capital. Our profit margins are too small for us to contribute towards maintenance/repairs. We are appealing to government to come to our aid.
5. Would you prefer to be a dry land or irrigation	Irrigation is far superior. You are assured of a crop.	I prefer irrigation. I am able to vary	Many farmers prefer irrigation because it is	Without hesitation, I would go for	I would select irrigation. I have had thoughts



farmer?	You are able to grow early and good quality crops. Double cropping is possible. You don't grow hungry with irrigation. I received assistance from ARDA to set-up the irrigation. We pay back in cash for the assistance which is pumps and pipes.	my cropping as I like. For example, good quality tobacco requires irrigation through out the growing season. Dry land tobacco is inferior. When you irrigate early tobacco very minimal water goes on to the leaves reducing disease risk. Dry land tobacco depends on rain which damage leaves and leaves them prone to leaf diseases.	profitable. They have seen the light.	irrigation. You are able to do multi cropping in a year and success is assured all the time. I hope that all those farmers with irrigation systems are using these to maximum benefit. A sure way of conquering starvation.	towards that type of farming. With irrigation you diversify into many profitable crops, for example, horticulture. The set-back is that in my farming area there are no dams or rivers. The cost of establishing an irrigation system is prohibitive.
EXTN					
1. Who provides extension services to you?	We use government extension workers (from AREX). They come to us from time to time. Companies who buy our produce and supply us with inputs are now beginning to provide extension services as well.	We get our advice from AREX. These are government supplied. We also get farming expertise from experienced, well to do large scale growers. We go to them and they are willing to provide expertise.	Government has done its best as regards extension workers. But their work rate varies from area to area. Some extension workers are hard working and would like to see farmers doing well. Others are lazy and don't make a lot of impact. Companies who market farming inputs are also providing extension services.	This was a problem earlier on but this has been resolved. Government has since recruited a lot of extension staff. Extension workers are available with ease. Their help is always there. Extension services from companies is different from what we used to get in the 1970's into the late 1980's. They used to come to us very often. Today we have to hunt for them. The reason is not clear but maybe there are too many farmers to	Thanks to government for increasing the number of extension staff. A lot of them are readily available. Coupled with this we seek the expertise of agronomists from suppliers of our chemicals and fertilizers.

				service these days. This is comprising our crop quality, negatively. We are only seeing these company representatives, at growth points. At these meetings they are not too keen to address our problems.	
1. Extension services between farmers?	I am willing to provide expertise but the party seeking information must make the first move. In this way we improve the economy of the country.	I don't do much. I just get involved in farmers' chat between neighbours.	I provide my expertise to those who come to me seeking information.	We do have informal meetings as farming neighbours; just to exchange views and sharing new information.	I am novice in farming, therefore not confident to provide expertise. I am listening and learning.
PRDN					
1. What type of crops do you grow and why?	I grow tobacco, maize, soya beans and a little bit of sugar beans. I grow cash crops because they bring in much needed foreign currency which helps to improve the economy of my country. For me tobacco is very profitable; maize and soya beans are beneficial crops. I grow sugar beans to supplement my income.	I am growing cotton, tobacco and maize. I grow two cash crops because I don't want to put my eggs in one basket. For example, if the cotton market dips, I can rely on the tobacco and vice versa. Maize is for food and any surplus is sold via GMB. There is quite a lot of maize in the country and therefore there is no need for me to do a lot of maize. I like to put more effort and hectareage to tobacco and cotton	The most profitable crops to grow are tobacco, cotton, soya beans and paprika, (although is prone to disease attack). Maize is mainly for consumption on the farm but could be profitable but the producer price is poor. Stock levels of maize will continue to fall if government does not improve the maize producer price.	I grow cotton, soya beans and maize. Cotton and soya beans are my cash crops. Maize is for home consumption and I use it to lure hungry cotton pickers to my farm. I don't grow maize as a cash crop because of its poor price. The money spent on inputs for maize production is not directly proportional to the producer price. Farming is a business and we are here to make money.	Tobacco and a little bit of maize for home consumption. Tobacco is a profitable cash crop. Maize prices are disappointing. Next season I am going to include soya beans as my second cash crop. The current maize prices will create a deficit in maize stocks. You can't grow a crop which is not profitable; farming is a business.
2. Do you do any	Yes. I rotate my	Due to the size	I do understand	My area is small	I have been made



rotations?	winter crops with summer crops. Because I have irrigation I can start my crops early and therefore I can plan my farming rotations with ease. I use recommended chemicals in my tobacco therefore I don't have problems with diseases and can grow tobacco every two years in a field.	of my plot (small) I find following recommended rotations a problem. You can't, for example, grow cotton after cotton. Recommended to grow tobacco after maize and vice versa. With my limited area this becomes tricky.	the principle of rotations but my biggest problem is the small size of my land. It doesn't give me a lot of options. My efforts are on getting a larger piece of land in the resettlement areas in order to accommodate crop rotations.	to effectively do the recommended crop rotations.	aware of crop rotations but I have not practiced this. The reason is that I have not seen the benefits for doing this.
3. Do you own livestock? If you do what do you use them for, and how do you look after them?	I have a small herd of cattle which I mainly keep for milk, meat and a little bit of draught power. I use tractors mainly for my farming operations. There is a scheme by government to improve livestock in the rural areas but due to some logistic problems the scheme hasn't taken off.	I have cattle, donkeys, goats and poultry. These feed in the communal grazing area. We experience a lot of livestock diseases but I have remedies to deal with these. Remedies are easily available. I use cattle for draught power, meat and to generate cash. Donkeys are solely for draught power. Goats and poultry for relish.	I own cattle, goats, sheep, donkeys and poultry. But my cattle are decreasing due to foot and mouth and tick borne diseases. Added to this a lot of cattle died during the 1992 drought. Therefore restocking hasn't gone according to my wishes. Tick control has become a problem because of shortage of chemicals used for tick control. The problem in this country is artificial shortages. Tick control pesticides are mainly available on the black-market and very little is available at the veterinary outlets. Black-market prices are high; this is	Our livestock numbers are dwindling. We used to have a lot of livestock and farmers used to exhibit at agricultural shows. We used to sell pen fattened cattle to CSC. Plenty cattle were available for draught power. We had dairy cattle as well. The high cost of livestock input costs is also to blame for the reduced numbers. This in turn has affected the tick and worm control programme.	I don't have livestock. For draught power I hire animals or tractors from other farmers. My fellow farmers have informed that cattle numbers are on the decline. Many reasons are being cited but the major one is tick borne diseases due unsatisfactory tick control. There is the lack of cattle dipping and a shortage of chemicals for this purpose. A lot of rain this season has exacerbated the problem.

			killing agriculture in the country. Government should investigate this issue urgently.		
4. What type of agricultural operations do you think will make you, your family and the country at large self-sufficient? Let us say you had all the farming requirements including irrigation facilities.	Currently, I do have almost all the facilities for viable farming. I am growing wheat, tobacco, maize, soya beans and sugar beans. I would like to include cattle in my farming operations.	I would like to grow wheat, tobacco, maize and beans. These will be able to make me a prosperous farmer.	The most profitable crops are tobacco, cotton, soya beans and may be paprika. With irrigation facilities one could go to flower production. I think all horticultural crops are profitable. Livestock farming has good money as well.	I will not change much from what I am currently doing, that is, tobacco, cotton and maize. I might try horticulture but on a small scale, because I hear the marketing is complex.	I would go for tobacco, cotton, soya beans and maybe cattle.
LNS					
1. Do you seek loans for your inputs and what planning do you do for your loan applications?	I always apply for loans after carefully doing my plans. The loan application is based on my farm plan. Unfortunately these plans are always derailed by the late approval of the loans. For example Agribank agreed to provide loans for tractors but the tractors arrived late and were second hand and unreliable. This put us back many farming weeks. We have asked government to intervene in this issue.	Yes, we seek loans and are in a position to pay back. The major concern is that we get delivery of the loans very late in the cropping season. Farming is planning and delays put one off target.	First our relationship with loan providers, starting from last season, is at its lowest. The idea was to apply for inputs via presentation of a farming plan. Obtain the inputs and go farming. But starting from last year there has been a reduction in assistance from loan providers. They have become selective. This is now confusing our farmers and production is suffering as a result.	Although, I seek loans on time, I am finding that there is a general shortage of inputs and costs have become prohibitive. This has resulted in farmers using less and less inputs forcing farmers to produce poor quality crops. Coupled with that delivery of the loans is always coming very late and not as per project proposal. Forcing us to use our own money to cover the shortfall.	I do seek loans. My loan application is always sent on time, this can be evidenced by my signing of the loan contract in good time. The set-back is in delays in providing the loans. For example, instead of getting my loan in October at the start of the season, I received it in January. This is very late. Luckily for me I purchased some of the required inputs using my own funds. This affects our yields and quality.
2. Who provides you with these	I have approached	My loan provider is the	I use Agribank, COTTCO,	I have approached	I have approached Agribank for a loan



loans?	Agribank, Farmers World and TGT for loans. I would like to see farmers getting input vouchers instead of cash for their loans. This ensures farmers use loan funds for agricultural purposes only. Cash from loans is being used for lobola (marriage).	Farmers World. I have a stop order in favour of the company. My payments are in order. The main problem is the delay in giving out the loan.	Cargill and Farmers World. As I said earlier I don't get satisfactory responses from any of these companies.	Agribank, COTTCO, and FSI for loans. My first port of call is always Agribank but if I don't the loan as per my project proposal I then turn to COTTCO and FSI. With these last two it will be on a contract farming basis. The disadvantage with this type of contract is that you don't have control over the producer price.	but was turned down. I can't disclose the name of my loan provider. But all I can say is that their interest charges are 90%. This is too high for me. They are also asking for collateral. As you are aware there is no small scale farmer who has any title deeds. We are going to work via government to have title to our land.
3. What is causing the delays in the disbursing of loans?	One of the excuses given was that government purchased all stocks of fertilizers and crop chemicals for its resettlement programme. It is also being said the shortage of foreign currency is at the center of this.	I have never bothered to ask. I hear from others that there are too many excuses.	Too many excuses to discuss. It's all a cover up for incompetence in these organizations. Fuel and vehicle spare parts are in short supply. No foreign currency to purchase ingredients for fertilizer and crop chemical manufacturing.	I think it's the economic situation in the country that is causing shortages. Fuel problems are resulting in delays in deliveries. Transporters are doing more profitable tasks like going for regional routes. These are paid in hard foreign currency.	We are getting no explanations from anyone. The companies seem to be too busy to look at our needs. But at harvest time they come very hard on our heels looking for our crops. This is unfair.
4. Why don't you use some funds from your profits to purchase your farming requirements for the following season? What about interest rates/charges on you loans?	My profit margins don't give me much room for this. I have family to look after. It is a hand to mouth situation for me. I can't save much. Interest rates are favourable.	That is possible but it is made difficult for me because I need to buy food and clothes for my family. I have never looked at the amount of the interest charges. I will start doing so now.	Family demands don't allow for this. There is food, schooling, clothes and many other things to consider. With delays in supplying inputs time has come for to use our own resources to buy inputs. Interest varies from one loan provider to another. Some	I don't think at the stage I can successfully do my farming without borrowing. I haven't amassed enough money.	I am a new farmer and I am using my profits to build up my agricultural base, that is, buying farming equipment, cattle, and building a house. Because I don't have collateral I find the interest charges too high (90%).

			are favourable others are too high.		
<b>MKT</b>					
1. Who do you market your produce to?	For maize to GMB, tobacco to ZTA or Farmers World and many other companies buying tobacco in the country.	I send my cotton to COTTCO, tobacco to Farmers World and any surplus maize to GMB.	I sell my cotton to both COTTCO and Cargill. Maize to GMB. Tobacco to Farmers World.	I go the highest bidder. Prices offered by companies who do contract farming are forcing farmers to do side marketing.	I market my tobacco via ZTA and Farmers World. Maize via GMB if I have surplus.
2. Please comment on the producer prices being offered?	My profits are increasing and I am happy with my farming. I don't have to seek extra work to supplement my farming.	I am disappointed with the cotton prices. Prices are not directly proportional to the efforts we are putting to produce the crop. The tobacco crop has a good market price.	The buyers of our crops have become our enemies. They are cheating us. They are offering poor prices, especially in cotton. Cotton buyers hold meetings where they concur to offer poor prices. They are a lot of them and they don't care anymore. They are refusing to look at the high cost of inputs. Prices should be increased to Z\$5000 per kilogram for cotton. Maize has a poor price as well. Government is crying for more volumes of maize but by offering poor prices this will not be achieved. We need more maize buyers.	Some crops are getting good prices and others are not. Maize and cotton prices are pathetic. Tobacco is fetching good prices.	Tobacco is fetching good prices. Maize is my problem crop. Cotton farmers are not happy with the prices they are being offered.
3. Are you producing the quality required by the buyers of your crops?	Yes we are able to. I am fetching good prices with my tobacco. All round my crops are of good quality. If I	In cotton, for example, we are getting top grades. Even the marketers agree to this. The buyers are	Yes our farmers produce good quality crops. We are very good farmers. For example our cotton is in great	Quality is a problem when we delay sending our crops to markets because of poor roads and delays in	Yes we have experienced poor quality crops but this is due to the poor state of roads, delays in receiving farming inputs.



	secure my inputs early my crop quality will be much better.	blaming the depressed world cotton prices for poor prices. We don't know whether this is true or not.	demand world wide.	obtaining inputs. High producer costs are forcing us to use less fertilizers and chemicals resulting in reduced quality in our produce.	Yields are also affected because of this.
4. Do you get paid on time?	Yes all crops are paid on time with the exception of maize. GMB takes a long time to pay. No explanation for the delay is given.	Only GMB pays us late, actually many months late.	My big problem is with GMB. For example, GMB bought our maize in July/August 2003 but we were only paid in March 2004. This is not buying maize; it is getting maize from farmers for free. Their excuse is problems with cash flow. If they were paying good prices we would not mind the delay. I say let the farmer market his maize to whoever gives him a good price.	All my cash crops are paid on time except for maize. GMB claims that it does run out of money to pay us.	Because GMB is a monopoly it pays for our maize very late.
5. Do you side-market some of your crops?	Sometimes I do in order to avoid paying back my loan.	No. I am an honest person and farmer.	I only do this when I find a buyer who is paying very good prices and I only do this to a portion of my crop.	Yes I do that sometimes. I look for higher producer prices. Prices offered by companies we do contract farming with are low forcing us to do side marketing. We have no choice because we want good prices to meet all our farming requirements. Pay good prices and side marketing will disappear.	No. I have never done that. I market all my crops to the satisfaction of my loan providers. I don't want to miss out on further loans.
SAP					
1. What do you	ESAP has not	ESAP from	We don't	As a farmer I	I have heard little

<p>understand by the International Monetary Fund and World Bank (IMF/WB)?</p>	<p>been good. The economy of the country has declined. Experiencing a lot of hardships throughout; government as well is having hardships.</p>	<p>discussions with farming colleagues has slowed down our progress. It should be abandoned. The standard of life is low and the economy of the country is depressed. No benefits received from this programme.</p>	<p>understand ESAP. No advantages going this route. We were promised a free market on all things, attractive producer prices and that all things in the country will improve. But things have worsened. Our experience is that ESAP is a failure.</p>	<p>think ESAP has created the high cost of crop inputs. Fuel, tractors, farm equipment have also gone up. This is forcing us to reduce the amounts of inputs put into our farming activities and this is in turn stopping us performing some agricultural activities.</p>	<p>about ESAP. I haven't seen the benefits in our area. I would like some one to give me details about this. Everyone says it's a bad thing.</p>
<p>2. Explain your income earnings in agricultural production before and after independence.</p>	<p>My farming has been good and profitable after independence. Before independence we were limited in what to grow because of the political situation during that time. No farming loans were readily available to us.</p>	<p>Before independence I was not a farmer therefore can't comment.</p>	<p>Our incomes improved soon after independence for a short period, that is, between 1980 and 1982. We were making money during this period. From 1984 we noticed things changing for the worst. Interest rates shot up and the exchange rate went wild. We are experiencing shortages in everything and things are expensive. Black market is at its best.</p>	<p>It looks like the period 1980 to 1998 compared favourably with the pre-independence period. Good farmers found it profitable before and after independence. But things changed for the worst after 1998 when the cost of inputs sky rocketed.</p>	<p>I was not farming before independence. But my parents prefer the pre-independence era to the current one.</p>
<p>3. During ESAP the producer prices of many crops increased favourably because of the liberalization of the agricultural markets. Did the increase in the cost of inputs not correspond with</p>	<p>No. You see manufacturers of inputs are not the buyers of our crops. They are after making their profits from us.</p>	<p>The input costs have outstripped the producer prices many times.</p>	<p>No. Inputs were affected by the exchange rate and the shortage of foreign currency.</p>	<p>The cost of buying inputs and the favourable producer prices are completely two different issues.</p>	<p>I am not sure of the reasons. I can only complain about the buyers of our crops. I don't know whether it is the government causing these anomalies or the manufacturers of inputs.</p>



the favourable increase in the producer prices?					
4. Why are you not talking to the buyers of your produce as regards the problems of high input costs?	We have invited the suppliers of inputs to meetings but nothing substantial was resolved. They blame the poor economic activity in the country. The buyers are also saying the same thing	I and my farming colleagues have left this to our union the Zimbabwe Farmers Union (ZFU) to deal with.	We have asked the Ministry of Agriculture officials to set up a meeting between us and the minister. Otherwise if things are not sorted out the agriculture in this country will die.	This has become a perennial issue. We have pleaded for a realistic producer price which takes into account the increase in the input costs. We have passed on this issue to our union leaders in the ZFU. The buyers are difficult to negotiate with because they want to make huge profits.	I am always complaining to the buyers but to no success. As I said earlier government has to sort out this problem.
5. There is a saying which IMF/WB believe in which goes "for things to be good for you, you need to suffer first and take a few steps backwards". Do you agree with this statement as regards to ESAP?	This programme was bad so much so that it is impossible to recover. In this country we survive by the grace of GOD.	There is no truth in that.	We have seen the worsening of things. Our experience is that ESAP is a failure.	No. Everywhere we find that it is the farmer who has been suffering for a long time. Both suppliers and buyers must be encouraged to attend our farming meetings and field days in the rural areas. We can air our grievances to them and they can give us feedback on the spot.	This could be true in other areas. It is not happening in my area. For example, our roads are in desperate state of repair.
CLM					
1. Do you experience any droughts and floods at all and how do you deal with them?	I have full irrigation facilities. Floods are difficult to deal with. Basically you do nothing about them.	Yes but there are not severe. We are requesting to be assisted in establishing irrigation schemes. Water for irrigation is available. Floods are very rare in this area.	Drought is one of our major problems. Government has promised to assist with boreholes and dams for irrigating our crops in drought situations. But we don't know whether this will	This is a very serious problem. Extension workers do advice us on how to succeed in drought seasons, for example, what crop varieties to use, time of planting and how to prepare the	As a good farmer I am always in contact with extension workers so that I get good advice at the beginning of each season.

			<p>be carried out to the every farmer's advantage. There is a lot of corruption in government at the moment. Floods are very destructive. But once in awhile we welcome to boost our water levels in dams and the underground water table.</p>	<p>fields. We deal with floods in the same manner as droughts, that is, work with extension staff. Floods are caused by poor field conservation works. Conservation methods advised by extension workers are very helpful.</p>	
SOC					
<p>1. With all these problems in farming have you ever thought of leaving and going to settle and work in the towns or cities?</p>	<p>I don't entertain those thoughts. Farming is my life.</p>	<p>I can't see this happening. I feel happier and contented with where I am at the moment. I am in control of my life. I would like to expand my farm.</p>	<p>I am a 100% farmer and rural person. I started farming in 1953.</p>	<p>I used to work in towns, although I was brought up on the former Purchase Lands. My father invited me to join him on his farm and I have never looked back. I am better off farming than my friends in towns. I make more money than them.</p>	<p>I don't have those thoughts. My life is now in farming.</p>



## Appendix 7

### Marshall and Rossman (1995) Twenty Questions to Judge the Goodness of this Qualitative Research.

Standard	Evidence
<p>1. The method is explicated in detail so that the reader can judge whether it was adequate and makes sense. An articulate rationale for the use of qualitative methods is given so that sceptics will accept the approach. The methods for attaining entry and managing role, data collection, recording, analysis, ethics and exit are discussed. There is an audibility trail – a running record of procedures – and there is description of how the site and sample were selected. Data collection and analysis procedures are public, not magical.</p>	<p>Chapter 3 discusses the research process adopted in this survey. The research took a multi-stage process which included among other issues the research philosophy, approaches, strategies, data collection methods through to interview schedules. Justification for using the qualitative research and the post-positivist stance are explained. The methods are accounted for, with reference to the naturalistic inquiry approach (Lincoln and Guba, 1985). An outline of the main steps of qualitative research (Bryman and Bell, 2003) is shown.</p> <p><b>Entry (Access)</b> did not cause substantial problems. After gaining permission from the Ministry of Agriculture in Zimbabwe, two gatekeepers were selected for each field phase. The gatekeepers established the rules and conditions for the fieldwork research (Patton, 2002). They helped to make the respondents and researchers relax and comfortable. The researcher took full ownership of all proceedings. Respondents were farmers, agricultural companies, academics, and IMF/WB personnel (this gave additional insights and measure of triangulation to the interviews).</p> <p><b>Managing the role.</b> The research study is built up from the researcher's previous work in the Masters in Business Administration degree in which "The Impact of Trade Liberalisation on the Cotton Industry in Zimbabwe with Special Reference to Production and Marketing Strategies" was researched. The gaps that the researcher had in research methodology were met successfully by taking the Research Methods in Business and Management Styles Programme (Postgraduate Certificate) at the University of Derby. Researcher had immense background to agricultural production issues in Southern Africa. Researcher's experience in producing and presenting agricultural programmes for the national radio and television stations helped in managing the research interviews. While completing the PhD on a part-time basis, I chose deliberately to work for Royal Mail whose working hours were from 0530 to 1330 per day for a 5 day week. This afforded me at least 5 hours per day (Monday to Friday) and 16 hours during the weekend to work on my PhD. Study was conducted 100 miles from the university. This posed problems in getting access to my supervisor and library facilities. To overcome this, meetings with the supervisor were held once a month (but at times this</p>

	<p>could be increased); contact was also via email and telephone discussions. Library book loan period was extended for distance learning students. I also bought books to cover for this gap. Time management and prioritisation was always paramount.</p> <p><b>Data collection and recording.</b> This was fully auditable and comprising of:</p> <ul style="list-style-type: none"> <li>➤ Sixteen and thirty-five audio-cassette recordings of the First and Second Fieldwork interviews were done, respectively.</li> <li>➤ Appendices 6 and 11 show schedules and summaries of the two fieldworks.</li> <li>➤ All audio-cassettes are still available and will be transferred to a compact disc for better storage.</li> </ul> <p><b>Data analysis.</b> Auditable and retained. Researcher transcribed all interviews as recommended by Patton (2002). Chapter 4 presents the data analysis and the highlighted responses.</p> <p><b>Ethics.</b> A professional and ethical approach has been maintained. Names of individuals and firms have been changed to keep respondents anonymous.</p> <p><b>Exit.</b> The determinant of the exit point for respondents is the researcher's own resources, interests and needs. As fieldwork comes to an end, an exit or disengagement strategy is needed. Interpersonal, cross-cultural, disengagement and re-entry issues all deserve attention as fieldwork comes to a close. Fieldwork areas where potentially interesting responses were given, a revisit was done to capture more information. Initially all respondents were informed at the end of the interviews about the possibility of a revisit. This was to occur inside five days after the interviews had been held. Gatekeepers were used to inform the respondents to be revisited if this was to happen. After five days if no contact was made this meant that the services of the respondents were not required. Two such visits were done, that is, (1) to see rural farmers repairing roads through their own initiative, (2) to look at the impact of poor or lack of soil conservation works on dams (siltation).</p> <p><b>Site and sample.</b> This is discussed in Chapter 3.</p>
<p>2. Assumptions are stated. Biases are expressed and the researcher does a kind of self-analysis for personal biases and a framework analysis for theoretical biases.</p>	<p>Personal bias is inevitable, but overt self-analysis can help to recognise its nature, force and implications. My experience with presenting radio and television programmes has helped me to become less judgemental and to reduce bias in my dealings with people that I interview.</p> <p><b>The Key Areas</b> I have needed to remain conscious of to ensure bias does not unduly impair results are:</p> <ul style="list-style-type: none"> <li>➤ Drop in empathy towards people who I</li> </ul>



	<p>initially see as arrogant or smug, lazy or not taking responsibility for themselves and their actions (for example, in this research, farmers who are not doing well due to laziness or lack of commitment). Some interesting insights can come from their stories.</p> <ul style="list-style-type: none"> <li>➤ A tendency to see an interview as typical of the person interviewed. Impression management and factors of the interview itself or the timing of it will have an influence on what is or is not said. Researcher should be skilled in learning to pay attention, see, and hear what there is to hear. Patton (2002) states that what people see or hear is highly dependent on their interests, biases and backgrounds.</li> </ul> <p>Disconfirming cases are a source of rival interpretations as well as a way of placing boundaries around confirmed findings. In this thesis all respondents reported problems with the SAP (literature search also reported the same) however the IMF/WB personnel was the only respondent who reported that SAP were successful. This negative case by IMF/WB opened up thinking about learning-oriented mind-sets and a readiness factor that provided instructive opportunities for new learning in evaluations. This also informed the researcher what type of questions to set for the Second Fieldwork. The researcher will actively seek to disconfirm emerging issues through negative case analysis, that is, analysis of cases that hold promise for disconfirming emerging hypotheses and that add variability to the sample. Thinking about the challenge of finding confirming and disconfirming cases emphasises the relationship between sampling and research conclusions. (This will also be applicable to Item 3 below).</p>
<p><b>3. The research guards against value judgements in data collection and in analysis.</b></p>	<p><b>At analysis</b> data reduction means the omission of certain aspects. A judgement by the researcher has to be made regarding inclusion and exclusion. My values as a former senior agriculturist in Zimbabwe will influence those judgements. However, it can be ensured that the decisions are overt and bases for the various judgements justified. For example, within the selection of respondents, I felt it was necessary to include farmers from different backgrounds and farming in different areas of the country. This gave me a cross-sectional approach.</p> <p>In describing the findings, the choice of words (adjectives and adverbs) is also influenced by values. In saying, for example, that small scale farmers who take it upon themselves to repair rural</p>

	<p>roads are being helpful, the inference would be that I see that as a positive characteristic. The description was justified by evidence of how the farmers had helped the government by repairing the roads for no fee. The reader can then draw their own conclusions about the subject and how they might have reached to the people/event/words. Rich descriptions advocated in qualitative research necessitate an intervention with, and a personal understanding of, the research area and participants. I think the key has to be the demonstrated sincerity of the researcher, together with the conscious awareness and justification of labels applied.</p>
<p><b>4.</b> There is abundant evidence from raw data to demonstrate the connection between the presented findings and the real world, and the data are presented in readable, accessible form, perhaps aided by graphics, models, charts, and figures.</p>	<p>The description and interpretations have to be appropriately evidenced with reminders of the movement between the two. The writer's voice needs to allow the reader to clearly recognise when material is presented factually, for example, as direct quotes from the interviewees, and the researcher is using their own interpretation. This should be achievable through the style of the writing and the use of the first person facilitates this, through allowing the researcher perceptions to be clearly expressed as such. Question – "what real world?" The world of respondents needs to be credible to the reader, whilst retaining a sense of it only being "real" in the sense of the time and other aspects of the interview. Others' worlds may be recognisable with reference to the findings, due to the nature of the patterns and themes that have arisen. However, we will all have our unique point of view and be influenced by our own experiences. Graphics, models, charts and figures not heavily used but have been incorporated them where I believe they aid understanding.</p>
<p><b>5.</b> The research questions are stated, and the study answers those questions.</p>	<p>The questions are linked to the purpose of the study, which have partly evolved throughout the history of the study. The questions are given under the IMF/WB Objectives; Findings; Indicators, and Gaps categories in Chapter 3. The First Fieldwork study answers those questions, but with reference to the context and limitations of the sample and methodology used. Further questions are generated and these are dealt with in the Second Fieldwork.</p>
<p><b>6.</b> The relationship between this study and previous studies is explicit. Definitions of phenomena are provided, with explicit reference to previously established frameworks – challenging old ways of thinking.</p>	<p>The literature reviews of the IMF and WB; six SSA countries and Zimbabwe show the crucial links with established studies. This was done in order to understand and have an insight in the operations of the Bretton Woods Institutions, to find out why the six SSA countries took the SAP route and find out the impact of these programmes. Definitions are given within the literature review. The qualitative approach used in my research is designed to help find new insights and find alternatives to the</p>



	established ways of thinking.
<p><b>7.</b> The study is reported in a manner that is accessible to other researchers, practitioners, and policymakers. It makes adequate translation of findings so that others will be able to use the findings in a timely way.</p>	<p>The PhD represents a complete piece of work, which will hopefully also feed into various journal articles, desks of policy makers in both developed and developing nations and used as tools of reference by other researchers and practitioners. I hope to present my findings and the new SAP Model at conferences designed to improve the standard of living of the people in the developing countries. The findings are reported in a way that others may react to them and draw conclusions appropriate to them.</p>
<p><b>8.</b> Evidence is presented showing that the researcher was tolerant of ambiguity, searched for alternative explanations, checked out negative instances, and used a variety of methods to check the findings (that is triangulation)</p>	<p>In life total understanding is unachievable – we see only a part. Some ambiguity is therefore likely. Invariably, I tended to try and iron out any ambiguous crease, by re-phrasing questions and seeking clarification. Certainly, I agree that we need to seek alternatives and not rest at early answers and assumptions, which may be simplistic. For this reason, I attempted looking at different patterns and themes emerging from the analyses before deciding on what I see as key ones for the PhD research. In this manner, the focus-determined boundaries have been kept relatively broad, with findings inductively drawn from within them. Negative instances have been addressed through initial variation in the sample.</p> <p>A variety of methods have been used, although interviewing has been the dominant method. Documentary evidence has supplemented the respondents' stories in some cases and some observation has been incorporated. This has allowed for extra triangulation but the emphasis has been on the respondents' stories and findings gleaned from them.</p>
<p><b>9.</b> The report acknowledges the limitations of generalisability while assisting the readers in seeing the transferability of findings.</p>	<p>The Qualitative (Naturalistic) Inquiry paradigm emphasises the inevitable limitations of the research with regards to generalisability. The research acknowledges that patterns and themes will arise and these can be identified and explored. These themes are areas that the reader may recognise and learn from their own interpretation of the data. The findings thus become transferable, with the onus on the researcher to give sufficient description to enable the reader to recognise the context and limitations, and to use the findings in what is a worthwhile way for them.</p>
<p><b>10.</b> It is clear that there was a phase of “first days in the field” in which a problem focus was generated from observation, not from library research. In other words, it is a study that is an exploration, not merely a study to find contextual data to verify old theories.</p>	<p>The “days in the field” for me are actually years. I have been involved in agricultural extension from 1973. My major role was to improve the incomes of rural farmers via improved yields of their crops. During this period I noticed problems in securing</p>

	<p>inputs at affordable prices as well as receiving them timely. Seen marketing being affected by poor producer prices, roads, storage and delays in receiving payment for crops delivered. Government making decisions centrally without consulting the stakeholders. Therefore, the key research focus on SAPs was based on first hand experience.</p>
<p><b>11. Observations are made (or sampled) of a full range of activities over a full cycle of activities.</b></p>	<p>Working with and observing rural farmers has enabled a full range of SAPs to be familiar to me as a researcher. During this period I have worked and interacted, at various levels, with agricultural companies, NGOs and IMF/WB, FAO. This helped me to have a deeper understanding of SAPs.</p>
<p><b>12. Data are preserved and available for re-analysis.</b></p>	<p>The data referred to in Standard No.1 are retained as an audit trail and for re-use, if deemed necessary or desirable. Plans are under foot to re-visit the data to analyse from other perspectives, for example, current (2007) thinking in SAPs.</p>
<p><b>13. Methods are devised for checking data quality (for example, informants' knowledgeability, ulterior motives, and truthfulness) and for guarding against ethnocentric explanations.</b></p>	<p>Data is mainly accepted at face value, although questioning techniques were used to clarify discrepancies or ambiguities. Although the large scale farmers and agricultural companies were knowledgeable about the issues on SAPs, most of the small scale farmers lacked knowledge about SAPs. This was due to having only basic education and lack of explanation from government on why SAPs were carried out. Some small scale farmers saw me as a donor agent investigating how and where to fund rural projects. I did explain that my research was an academic one. Ulterior motives and truthfulness are discussed further in Chapter 3.</p> <p>Ethnocentricity is particularly regarded as an issue for researchers working outside their own culture or setting. Within an interpretive approach, a Naturalistic Inquiry axiom, an acknowledgement of the influences of the researcher and the potential bias and prejudices brought by the researcher to the study need to be acknowledged. However, to partially ameliorate the situation, contextual information regarding the researcher, topic and sample has been provided for transparency, to enable the reader to form their own judgement about potential bias and ethnocentricity.</p> <p>As this research has not been designed to offer generalisability causal explanations as such, an anathema to the Naturalistic Inquiry paradigm, the contextual information is presented to enable the reader to draw their own conclusions and make tentative application, depending on their own circumstances.</p>



	<p>The use of various text books and authors in qualitative research throughout this thesis helped to cross check various explanations encountered. The studying of the SAP (literature search) in the six SSA countries in comparison to Zimbabwe's experience with SAP was also a form of triangulation. The same can be said of the use of different types of respondents in the research study, which effectively was a strong form of cross checking of explanations.</p>
<p><b>14. In-field work analysis is documented.</b></p>	<p>Explicit analysis was undertaken once out of field and was documented as listed under Standard No. 1. However, it could be argued that ongoing analysis during the interview led to further questioning, which was thus documented within the transcript. Other in-the-field notes included comments on the farming environment in Zimbabwe and respondents' interactions with others, which were noted and kept with the individual transcript records.</p>
<p><b>15. Meaning is elicited from cross-cultural perspectives.</b></p>	<p>Sampling was done across a range of farming communities, that is, small scale, large scale, agricultural companies (marketers and manufacturers), academics and IMF/WB personnel, enabled a cross organisational cultures to be experienced and embraced within the research.</p> <p>In the literature search Chapter the research used six countries Cote d'Ivoire, Ghana, Kenya, Uganda, Zaire and Zambia to find out at how the structural adjustment effort was carried out in those countries as compared to Zimbabwe. All the countries used have different cultures and their former colonial rulers were different, that is, Great Britain, France and Belgium.</p>
<p><b>16. The researcher is careful about sensitivity of those being researched – ethical standards are maintained.</b></p>	<p>Care was taken in the phrasing and timing of questions to try and be sensitive in my treatment of respondents. Where some initial nervousness was apparent, a little time was taken to try to put them at ease, by asking general questions about their farming activities. Areas that might be of interest but which they did not apparently want to discuss were not pushed, for example, discussing in detail about government inefficiencies and shortcomings. Ethics of confidentiality and sensitivity towards that kind enough to give up some of their time for the research itself were borne in mind throughout the process.</p>
<p><b>17. People in the research setting benefit in some way (ranging from getting a free meal to an hour of sympathetic listening to being empowered to throw</b></p>	<p>I do believe that many respondents benefited from the involvement in the research. Several actively said it had made them think a bit more about their</p>

<p>off their chains).</p>	<p>farming activities especially the environmental damage being done by their bad farming practices. At the end of the interviews some respondents did ask me for advice on how best to control cotton pests. This was expertly given.</p>
<p><b>18.</b> Data collection strategies are the most adequate and efficient available. There is evidence that the researcher is a finely tuned research instrument, whose personal talents, experiential biases, and insights are used consciously. The researcher is careful to be self-analytical and recognise when she or he is getting subjective or going native.</p>	<p>I am not sure quite how “finely tuned” I would describe myself to be, but I do try to consciously analyse my style and approach, both during an interview and after the study, in an attempt to recognise any shortcomings and to aim for continuous improvement. My training for radio and television interviews over the years has allowed me to be aware of most of the salient issues. I have set down my weaknesses and tried to address them. Feedback was deliberately sought before entering the field by doing mock interviews with my family members and colleagues. Should the thesis and other work based on the research be seen as good enough, then I can infer that data collection strategies using me as an interview instrument have been adequate. The data collection, interpretation and analysis have been brought to frequent meetings with my research supervisor to discuss the process and research findings.</p>
<p><b>19.</b> The study is tied into “the big picture”. The researcher looks holistically at the setting to understand linkages among systems.</p>	<p>This research does not deal specifically with systems, although a holistic approach has been attempted. The big picture could be seen in three dimensions. The first dimension is the IMF/WB SAPs picture. The second dimension is the literature review on the six SSA countries and Zimbabwe giving the setting and context of study. The third dimension is the research methodology, employing qualitative methods to illuminate thinking in the other two areas. This dimension gives the depth to the picture and allows the linkages to be portrayed with more colour and emphasis.</p>
<p><b>20.</b> The researcher traces the historical context to understand how institutions and roles have evolved.</p>	<p>Chapter 2 on the literature review specifically address these issues and takes a long-term view to foster greater understanding of key contemporary issues.</p>



## **Appendix 8**

### **Second Phase Fieldwork Check Questions.**

#### **Communal Farmers.**

1. Recent research results have shown that in the majority of communal areas the roads are in a bad state of neglect. These roads are essential and critical in the movement of agricultural inputs to farmers and farm produce to markets. Some farmers are doing nothing about this and leaving government to sort out the problem and others are trying to find means and ways to help repair and maintain the roads. It is a fact that the haulage vehicles themselves do damage roads via the weight of goods they transport. Have you as farmers approached the owners of these vehicles to contribute to the repair and maintenance of these roads? What has been the response?
2. It has been revealed that people who purchase your crops are willing to provide you with transport to move your crops to market areas in their control. Have you ever tried to persuade them to purchase your crops on farm gate and in this way avoid the current problems you have of transport because of poor roads?
3. Massive improvement of road networks in the rural areas was evident in the period 1980 to 1985 (soon after independence). Funds used for this were mostly from donor agencies, IMF and WB. Government handed over these roads to local authorities to oversee. But information on hand shows that soon after 1985 there was very little done to these roads in the form of maintenance which resulted in the eventual poor state of roads. What role did you play as farmers in encouraging your local authority (council) not to let the road network go into disrepair? Are you aware that taxes and levies you pay are supposed to go to road repair and maintenance?
4. All farmers who were interviewed earlier on for this research programme stated they would like to go irrigation farming. Are you aware that dams created for this purpose would like to have protection from siltation? Please give examples of conservation works that can help protect dams from siltation.
5. A lot of you farmers have said that the ESAP introduced to Zimbabwe after independence has not been good and this has failed. Farmers have experienced a decline in living standards and a great increase in the cost of farming inputs. With this in mind how would you like to have seen this programme introduced and run so that people especially you farmers would get maximum benefits from it?
6. The IMF and WB are being blamed in Zimbabwe for the failure of ESAP. Please explain to me what you know about the role of these two organisations? Why do

- you believe their programmes have brought hardships to you? Give concrete examples of the hardships you have experienced.
7. Some of you say that the service of government agricultural extension workers is poor. Please explain this further. How many farmers should be served by one extension worker? How many times in a month would you like to see your extension worker? Would you like to meet your extension worker as a group or individually?
  8. You are also getting extension services from companies that purchase your crops and those that provide your farming inputs. How efficient is this? What type of contract do you agree on with companies that buy your crops if they provide you with transport? Are you free to choose the destination of your farm produce?
  9. How adequate, to your needs, is the information provided to you by government and private agricultural extension services? What areas do you think require improving? Are there sufficient extension workers to cover the needs of farmers in this country?
  10. How competent are you in the production of cash crops like tobacco, cotton, paprika, wheat and horticulture? How do you obtain information to successfully produce your cash crops? Are you able and willing to pay for extension information?
  11. Many communal farmers keep cattle for drought power, milk, meat for home consumption and traditional purposes. Why do we not see a lot of pen fed animals being produced for marketing to abattoirs for export into overseas markets? Are there any other livestock that can be used in a similar way?
  12. There is evidence that farmers are getting their inputs very late in the season and this is compromising on quality of the crops produced and farmers' confidence in agricultural production. How do you think this can be improved?
  13. How do you prepare your crops for marketing/selling in order that you get top grades and therefore top producer prices?
  14. For your cash crops which are exported, in which currency do you prefer to be paid in and why? If you get paid in foreign currency how and for what would you use the money?
  15. How much of your profit do you invest in agriculture, marketing, input supply and credit? Please explain your response?
  16. Land size is not to increase. What are you doing about increasing your crop yields without increasing your land size?
  17. Please describe (including payment methods and time scale) the marketing of one of your cash crops you produce.



18. How does your Farmers' Association get your views, suggestions, concerns and grievances for discussion at national level? What benefits are you getting from such associations?
19. Please compare the marketing scenario of crops before independence and after trade liberalisation. Which period was more transparent and give reasons? Which one gave you value for your crops?

## **Second Field Research Work**

### **Large Scale Farmers**

1. What did farmers in Zimbabwe do in order to understand trade liberalisation and reform programmes?
2. With the help of you large scale farmers how do you envisage assisting the rural poor who depend on agriculture overcome poverty? What agricultural methods can be taught to improve this lot? What cash crops would you recommend for them to grow?
3. What training skills and information would you like to see agricultural colleges include in their syllabi in order that their graduates have hands on knowledge on farming operations?
4. More and more farmers including the small scale farmers are going into cash crops most of which are non food. This has resulted in reduction of maize stocks in the country. What would you advise government to do in order to improve maize levels nation wide?
5. Your farming sect or does not experience infrastructural problems, like roads in poor state of repair. The communal farmers do, and roads (poor) are detrimental to their agricultural operations. Please give means and ways they (communal farmers) can do to improve and maintain their road networks.
6. The subject of land reform (redistribution) is a sensitive one but one which needs to be addressed for the prosperity of the nation. How would you like to see this addressed? What future is there for the current large scale farmers?
7. From your experience has aid through IMF, WB and other donors played a useful role in Zimbabwe? Please explain your answer.
8. Relevant agricultural research is crucial for technology innovation in any agricultural country/nation. What is the agricultural research situation in Zimbabwe at the moment?

9. Crop destruction, for crops like cotton and tobacco, at the end of each cropping season is becoming a problem. What impact does this have on your operations?
10. Please give comments on current extension service strategies in Zimbabwe? We see competition between various companies inspired extension systems, often with each providing contradictory message. For example, cotton companies would focus on cotton messages, rural development projects on food crops, and livestock projects on livestock often in the same places. Is this good for the farmer?
11. Soon after independence, with the introduction of trade liberalisation, a proliferation of agricultural marketing organisations, for the purposes of purchasing crops, was noticed. What benefits did you get from this? Please explain any problems this might have brought to your operations.
12. Large scale farmers have been accused of owning large tracts of land and putting these to wildlife farming at the expense of food production. Your comments on this.
13. What impact has trade barriers on exports, quotas and taxes on exports on your farming operations and strategies?
14. How would you like to use the foreign currency earned in exporting your export crops?
15. Most large scale farmers, as from 1980, reduced their dependence on extension services provided by government. What the reason for this? Who was supplying them with new agricultural innovations and general extension services?
16. How are coping with the decline in and unreliable rainfall patterns in Zimbabwe?
17. In reality, market imperfections are the norm, not the exception, in many parts of Africa including Zimbabwe. Please comments on this statement. How do you overcome these imperfections?
18. Risk levels are high in African agriculture from natural causes such as pests and diseases or drought and from higher than usual business risks in transport and theft. How do you plan for this? What do you do to overcome this?

## **Second Field Research Work**

### **Agricultural Companies**

1. The African continent, including Zimbabwe, exports tobacco, cotton, coffee and other agricultural raw materials but few countries turn these into manufactured products. What is the reason for you not adding value to crops you purchase?



2. Lack of clear ownership means that many rural small scale farmers cannot use their property as collateral in order to obtain loans. Without access to credit, farmers find it hard to afford the tools and seeds that might make them more productive. Please comment. What is your organisation doing to assist the farmers in getting credit without collateral?
3. The first two years after independence saw Zimbabwe having good rains and startling economic growth of 28%. This did not last. Why? What happened? Why did you in the agricultural industry not respond positively and take advantage of this growth?
4. Land reform is necessary in Zimbabwe and has worked in the past. If your company was tasked to formulate plans for land reform how would you as company done it in order to be fair and maintain and improve agricultural prosperity?
5. Many farmers are complaining that they receive, year in year out, agricultural inputs very late in the farming season. What is the problem here? What can be done to improve this?
6. There is also concern from farmers that structural adjustment programmes have forced the price of inputs to go up. Crop buyers are being accused of not paying producer prices in relationship to the rise in input costs. Please comment on this. Explain your policy on producer prices, in other words how do you arrive at this?
7. Technology-based agriculture has not come to Africa on a significant scale. Most of the 1.7 to 1.9 percent per annum average agricultural growth that has occurred has been due to expansion of cultivated area, not yield increases. What is the situation in Zimbabwe? What has your company done to improve yields per unit?
8. When the agricultural scenario was liberalised there was a proliferation of marketers/crop buyers (some were labelled fly by night or briefcase companies). What impact did it have on the country's marketing system/ how did this affect your operations? For example how were quality standards maintained by market players?
9. There is a belief among farmers that marketers or buyers of similar crop, for example cotton do go into cahoots to buy the cotton crop at more or less the same price without out doing each other. This, farmers say is going against the concept of trade liberalisation. Your comments.
10. What is your company doing to make agriculture, agro-industry and related services profitable to the farmer who supplies you with a product for your business?

11. The Grain Marketing Board remains the only state owned agricultural enterprise which has escaped trade reforms. It is the sole buyer of grains like maize and wheat. How has this impacted on your operations? What is the best way to market these grains so that farmers, marketers and state are happy to be involved in grain production?
12. Please can you comment on current extension service strategies in Zimbabwe? We see competition between various companies inspired extension systems, often with each providing contradictory messages. For example, cotton companies would focus on cotton messages, rural development projects and food crops, livestock projects on livestock often in the same places. Crop rotations are in many cases compromised.
13. What operations, which have impact on agriculture, is your company involved in promoting? How are you funding these?
14. Some companies in Zimbabwe are using contract farming as insurance to getting a crop(s) from farmers. But the producers of these products believe that this compromise on their ability to get the best producer price. They also see companies as deliberately putting down the producer prices because farmers cannot market elsewhere due to contract obligations. You comments, please.
15. Most large scale farmers as from 1980 reduced their dependence on extension services provided by government due to the belief that the extension staff are poorly trained and equipped. What is your organisation doing to help fill this gap?
16. The IMF, the WB and most developed countries are strong advocates of trade liberalisation. But, it has been seen that when developing countries export to rich-country markets, they face tariff barriers that are several times higher than those encountered by rich countries. How has these trade barriers affected your marketing abilities? What strategies are you using to overcome these barriers?
17. The IMF and WB play extremely important roles in African agriculture. As the major contributor to projects in agriculture, infra-structure, social services, finance, and to structural adjustment programmes which affect agricultural policy. What role do you think organisations like yours should play in order that these programmes are implemented successfully by governments?
18. Relevant agricultural research is crucial for technology innovation in Africa. But sadly, it has been noted that there is a steady decline in the research effort from government, in Zimbabwe. Your comments, please. What are you doing about promoting research work?
19. Many small scale farmers are going or being forced into growing cash crops like tobacco, cotton and horticulture due to attractive producer prices and provision of



crop inputs without the necessary expertise to produce these crops and at the expense of food crops. Your comments, please.

20. In Zimbabwe there is a substantial evidence of decline in rainfall received, environmental degradation, including rapid deforestation (Africa loses 3.7 million hectares of forest per year) and loss of soil fertility. Is this a true statement? If is, what is your company which is agricultural based business doing to help arrest and improve this situation?
21. Agricultural extension is being increasingly focused on women's needs, using women as extension agents and contact points. How is your organisation responding to this? What responses are you getting from both male and female farmers as regards this?
22. Farmers, especially small scale, are complaining and worried about the state of roads in their areas. This has resulted in them not getting transport timely and at times no transport to move both inputs to them and sending their produce to markets. Quality of crops has been affected tremendously. What is the solution to this? How can your company help?

## **Second Research Field Work**

### **Transporters.**

1. How do you find rural transport infra structure in Zimbabwe?
2. Many rural farmers have complained of shortages and delays of transport for their produce to markets, these in some cases have reduced the quality of the produce resulting in poor prices. Please comment. How can you help improve the availability and reliability of transportation in rural areas?
3. What criteria do you use for transport charges to farmers? Are these charges explained to farmers beforehand?
4. It has been noted that more and more transporters are moving to service regional routes at the expense and detriment of rural farmers. Please comment.
5. What problems do you encounter when delivering produce from farmers to designated buying depots/points? How soon do you get paid for these services?
6. As a transporter how do you envisage helping improve the rural network? Give examples where you have helped.
7. What has been the impact of trade liberalisation to your company and business?

8. Please discuss and explain the transport business atmosphere/constraints in pre and post independent Zimbabwe.