LAND REFORM AND DEVELOPMENT STRATEGY IN ZIMBABWE: STATE AUTONOMY, CLASS AND AGRARIAN LOBBY

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INTRODUCTION

Much of the literature on the political determinants of African economic policies that has been produced over the last decade seems to be motivated by the need to make some sense out of the following apparent fact. Even as the characteristic policies pursued by African governments have been shown to have severely adverse consequences, sufficient internal forces are seldom mobilised to have them substituted for a more 'realistic' set of policies. Sustained external pressure from the International Monetary Fund, the World Bank and other international donors seems to be necessary for such policy reorientation to occur. In other words, writers searching for the political rationality behind the typical set of African economic policies seem to assume that these policies are economically 'irrational'. If that assumption is accepted as valid, explanations of policy outcomes in terms of the dominance over the policy process of a certain coalition of special interests (for instance, Bates, 1981) attain inherent plausibility. This is so because we tend to believe that in the absence of strong political pressure to the contrary, governments would choose policies that promote growth, a sustainable balance of payments, and generally increased economic well-being for the country as a whole.

It is not our intention to challenge the assumption of the economic destructiveness of past African policies here. Rather we shall concern ourselves with an issue on which there is very little consensus as to what policy direction would produce the greatest net benefit to the country as a whole, i.e., what would constitute the economically sensible course of action for a given country to pursue. This issue is land reform, and the empirical case is Zimbabwe.

Since no particular course of action can simply be assumed to be economically rational as far as land reform is concerned, the task of the political scientist becomes more difficult. Simply assuming that a given decision comes about as the result of political pressure by the beneficiaries of that policy will not do. As we shall see below, proponents of land reform have been hard pressed first to show that there is indeed an economic case to be made for transformation in the ownership structure of land in Zimbabwe. Only then can the fact that no truly radical land reform has occurred in Zimbabwe plausibly be explained in terms of a particular 'disadvantageous' constellation of group and/or class forces. However, because the economic arguments against land reform have by no means been fully rebutted, there exists another possible explanation, *viz.*, that the Zimbabwean state acts cautiously on the issue simply because it perceives radical land reform to be too risky in national economic terms. The unresolved nature of the question of the economic consequences of land reform thus forces us

- (1) to carefully consider the arguments made for and against structural changes, as well as
- (2) to consider explanations in terms of autonomous class action as well as hypotheses derived from group or class theory.

A BRIEF OVERVIEW OF LAND REFORM IN ZIMBABWE

The seriousness of the issue of land reform is undeniable in a country where prior to 1980 a maximum number of 5,700 white farmers owned half the productive area and black peasants were relegated to mostly inferior land in the drier, drought-ridden parts of the country.⁽¹⁾ The number of commercial farmers has now declined to an estimated 4,500 (counting black labourers and their dependants, the number of people residing in the commercial farm areas is some 1.5 million). The former African reserves or Tribal Trust Lands, now called communal areas, are inhabited by around 800,000 households or perhaps 5 million people (Moyo, 1989: 27). The foundations for this division of land were laid in the earlier part of the century. The means for doing so were expropriation, the legal segregation of the market in land

(through the Land Apportionment Act of 1930) and the gradual and often forced removal of black 'squatters' from the 'white' areas. The position of white farmers was further bolstered by price discrimination against black peasants in the produce markets and various interventionist measures by the state. These policies combined to produce and maintain a 'reserve' of cheap labour for employment in the mines, manufacturing business, farms and homes owned by the whites (Arrighi, 1973; Mosley, 1983; Phimister, 1988).

The ability of the now ruling party, the Zimbabwe African National Union-Patriotic Front (ZANU-PF) of Robert Mugabe, to mobilise the peasantry within Zimbabwe during the guerilla war against the illegal regime of Ian Smith (1965-79) owed much to its land hunger. This fact, combined with the socialist, indeed Marxist-Leninist, rhetoric of Mugabe and ZANU led many to expect radical re-distribution of land after 1980.

Initially, a plan was produced to resettle 18,000 families over the years 1980-83 on 1.1 million hectares purchased from the white commercial farmers ('intensive resettlement programme'). Official Western, mainly British, capital was forthcoming for this purpose, under condition that it be matched by an identical amount from Zimbabwean Government coffers. However, since it was realised that the intensive resettlement programme would make little impact on the overall land hunger, the Transitional National Development Plan published in 1982 adopted a target of 162,000 families to be resettled by 1985. The ensuing 'accelerated resettlement scheme' was to be financed solely by the Zimbabwean government, but this meant that supporting services would be very rudimentary if forthcoming at all (Munslow, 1985).

Already in August 1983 an announcement was made that new purchases of land would be frozen. By 1985, the year that the target of 162,000 resettled families was to have been achieved, only 35,000 had actually been given new land. The resettlement schemes at that time covered some 11 per cent of the former white areas (Bratton, 1987:187), but for the most part they were situated within the drier regions. The Lancaster House Constitution negotiated between the former Rhodesian regime, the guerilla movements ZANU and ZAPU, and the British Government included a Bill of Rights in which property rights were entrenched. Significant land acquisition could therefore in practice only legally be carried out on a so-called 'willing buyer - willing seller' basis.⁽²⁾ The sellers were evidently willing only to let go of the least productive land. Prior to independence ZANU talked about collectivisation and state takeovers of commercial farms. Nevertheless, the overwhelming majority of resettlement schemes were organised on the basis of individual plots for cropping plus commonly held grazing land, the pattern that prevails in the communal areas as well (Munslow, 1985; Kinsey, 1983).

The First Five-Year National Development Plan 1986-90 set new resettlement targets in the order of 15,000 families per year during the plan period (Cliffe, 1988:16). However, Moyo (1989:29) reports that by the beginning of 1989, a post-independence total of only 51,000 families had been resettled, an increase of 16,000 over the figure apparently given in 1985. This is the case even though the 1986 Land Acquisition Bill "widens the government's options by giving the state first refusal on all land sales, and by defining for the first time what constitutes 'underutilised' land and indicating some procedures for compulsory acquiring it" (Cliffe, 1988: 17). By April 1990, however, the stipulation in the Lancaster House Constitution that the Bill of Rights can only be altered with unanimous consent will no longer apply. Formally, this will give the Government a freer hand. In anticipation of this, talk about an intensified pace of resettlement has been revived. For instance, Senior Minister Joshua Nkomo (head of the former ZAPU party) suggested this year that the Government 'persuade' commercial farmers to sell unused land. In August President Robert Mugabe promised a new "revolutionary land reform programme, to redistribute land without inhibitions". Later, however, he added that compensation would be paid, and called for a survey to be made of all unutilised and underutilised land (*Africa Confidential*, 22 September 1989).

This rudimentary outline of the history of land reform in Zimbabwe since 1980 must serve as the basis for our discussion of the factors explaining the limited nature of that reform. To even begin to resolve the question of state autonomous action vs. group or class influence on this issue we need to consider the intellectual environment within which decisions are being made. Examining the arguments pro and con as they have been presented in books and articles on the issue constitutes our approximation of this. The question is: Are the arguments against substantial redistribution of assets in land compelling? If so, can a plausible case be made that the relative non-action on the issue might be due to autonomous state action in the interest of certain important national objectives? Or is it rather that the arguments are not so convincing, so that explanations of non-action in terms of interest group or class influence become more plausible?

Throughout this discussion it is important to bear in mind that what we are dealing with are the benefits and costs of land reform as they are (or rather, more indirectly, may be) perceived by Zimbabwean authorities. That is why a consideration of the debate, *as undertaken in Zimbabwe*, not as a general or theoretical issue, is important. However, there is at least a possibility that this actual debate within the country is lacking in some respects, and that on a wider body of information decisions might have been made differently. It is perhaps instructive that, as we shall see below, land reform has not been discussed within the context of a conscious choice of industrialisation strategy. We shall therefore suggest this as a direction in which future discussion of the issue might go.

THE DEBATE ON LAND REFORM IN ZIMBABWE SINCE INDEPENDENCE

The early arguments in favour of land distribution in Zimbabwe focussed to a large degree upon the political and normative issues involved, as well as the economic and ecological conditions prevailing within the communal areas. Later on, in answer to strong criticism of the land reform effort in terms of the costs to the country as a whole, arguments in terms of a broader economic significance became more important. One prominent contention was that land reform might well lead to increased efficiency of resource utilisation within the agricultural sector as a whole.

One of the major normative issues involved in the early discussion was of course that of rectifying past discrimination, of restoring the 'lost lands' to their rightful owners. To this was added the political consideration that since the land issue was really what had fuelled the guerilla war in the rural areas, it was necessary to satisfy the peasants' wish for more land. At the same time, land redistribution accorded well in principle with the stated objective of the new Government of building a more egalitarian, socialist society. The issue of socialism also emphasised the question of the form of ownership - private versus collective - over and above the distributive question (for instance, Bush and Cliffe, 1984).

The Perspective from within the Communal Areas

But above all, the debate around 1980 centered around the often appalling economic and ecological conditions within the peasant farming zones. It had long been obvious that the communal areas in their present form could not support the number of people that depended upon farming there to meet a significant part of their economic needs. Before independence, the problem was often phrased in terms of 'overpopulation' rather than a need for more land. For instance it was stated in 1978 that the communal areas as a whole carried two-and-a-half times as many people as they ought to do if the quality of the land was to be preserved (their 'safe carrying capacity'; Munslow, 1985: 42). One particular 'solution' to the 'overpopulation' problem had been advocated and even begun to be implemented (through the Native Land Husbandry Act) in Rhodesia in the 1950s. The basic idea was to end the migrant labour system whereby men went to work in the towns while leaving their families behind to farm. In various ways, suggestions along these lines were renewed around the time of independence. It was deemed advisable by some to create a class of permanent farmers in the rural areas with individual title to land on the one hand, and on the other a real working class in the cities. Thus, pressure on the land would be relieved and 'proper' farming practices encouraged. While such thoughts appeared again after

independence, there was sometimes a clearer recognition that some land would have to be redistributed, as in the 'Riddell Commission' report published in 1981.

The degree to which this represents anything like a 'solution' to a social and economic problem is of course open to serious question. Absorbing significant parts of the peasantry into industrial or other urban occupations paying sufficiently high wages and salaries to meet people's needs is not something that a government can will into existence. An easily foreseeable consequence of attempts to end the migrant labour system would be the creation of a large lumpenproletariat in the cities and towns. Furthermore, as long as people generally have little access to private or public forms of health, unemployment or old age insurance, the importance of the function which land in the communal areas serves in providing minimal security cannot be overstated (Bush and Cliffe, 1984).

The need for more land from the point of view of the majority of peasants in the rural areas can hardly be doubted. However, basing the arguments for land reform upon this 'sub-sectoral' perspective alone invited counter-arguments in terms of broader economic concerns, especially as the financial and practical problems involved in the resettlement exercise became more pressing over time.

Counter-arguments against land reform: The costs to the country as a whole

Only shortly after resettlement had begun to be implemented, several reports were published advocating caution. For instance, the Commission of Inquiry into the Agricultural Industry advised in 1982 that redistribution should be seen against the background of national production figures (Bratton, 1987: 188).

The fear that production might be severely disrupted in the short-to-intermediate term should radical land reform be instituted is very real in Zimbabwe since the commercial farmers, despite post-1980 success in increasing peasant output of especially maize and cotton, still produce around 80 per cent of total marketed output as well as the bulk of agricultural exports. Agricultural exports are responsible for around 35-40 per cent of total foreign exchange earnings in the country. Granted, Zimbabwe is much more industrialised than all other sub-Saharan African countries save the Republic of South Africa. Manufacturing industry contributes 31.3 per cent of GDP in 1987 compared to agriculture's 10.9 per cent and mining's 5.5 (EIU, 1989: 2). Nevertheless, agriculture still underpins the whole economy. For instance, much manufacturing activity consists of the further processing of a wide range of agricultural goods; in fact, in 1981/82, the manufacturing sector absorbed 43.9 per cent of agricultural output (Riddell, 1988: 76). Also, the commercial farmers are major

buyers of inputs made by local manufacturing firms. Roughly half the input needs of the agricultural sector are supplied by domestic manufacturers (Riddell, 1988: 79). Indeed, the various sectors of the Zimbabwean economy are well integrated, the productive structure of the country thus being significantly different from that found in most developing countries.

Kinsey (1983) is representative of early critics of land reform. In his opinion, resettling a total number of 162,000 families would require that the larger part of the commercial farming area be acquired by the government. Resettlement on this scale would thus lead to the loss of a great number of jobs on commercial farms, probably resulting in no net gain in terms of relieving land pressure in the communal areas. Losses in terms of production and export earnings were assumed to be proportional to the land area acquired for resettlement. The budgetary implications of buying this land and providing infrastructural, educational and health services would furthermore be astronomical. Many of the assumptions Kinsey made in order to arrive at specific results and figures are highly questionable, and have been criticised by others (e.g., Munslow, 1985; Weiner et al., 1985). However, Kinsey also made a number of pertinent criticisms of the implementation of the resettlement programme, pointing *inter alia* to the lack of financing and draught animals, the insecurity of tenure on resettlement schemes and problems created by the policy of requiring that settlers be landless and hold no jobs outside of the resettlement schemes. This last requirement meant that sometimes the least experienced farmers were selected and that they were barred from sources of income that could be tapped for productive investment on the land.

Some of the problems involved in the practical implementation of land reform were dealt with as more experience was gained. Others could be dealt with, and need not concern us here. The financial and macro-economic issues are more significant. So is the issue of peasants' productivity. More specifically, what is first and foremost at issue is the ability of the peasantry to produce not only enough for their own bare subsistence but also for the market, without having to rely on unsustainably high government input.

Counter-arguments against fiscal and macro-economic pessimism: Resource efficiency within the agricultural sub-sectors

Several measures could be taken in order to reduce the potential costs and adverse production effects of further land reform.

First, it is not clear how much land is actually needed in order to meet the target of 162,000 families. Since those who have been resettled until now have been so on

mostly inferior soil, acquiring better quality land would mean that higher population densities could be sustained.

Second, it is by no means certain that intensified redistribution of land need lead to significant declines in productivity in the commercial farming areas. Such a scenario assumes that the land held by the commercial farmers is being used to its potential.

Third, the financial costs involved in acquiring land could be significantly reduced if for instance under- and unutilised land were taxed and incentives thus created for bringing this land forth for sale (assuming that outright expropriation is not an option).

These counter-arguments against the Kinsey-type criticisms of the financial and macro-economic implications of sustained land reform all came to figure prominently in the debate from the mid-1980s on. That the commercial farmers only utilised a fraction of their total arable land had been suggested both prior to and around independence (Munslow, 1986: 48), but Weiner et al. (1985) were first in trying to make a comprehensive and judicious review of the actual extent of un- and under-utilisation of land in commercial farming areas in Mashonaland (the major crop-producing area). (See also Moyo, 1986). On what they call "conservative assumptions as regards potentially net arable land", only about one-third the potential was being utilised for cropping in the 1981-2 season. They go on to state that "during that season, therefore, 866,061 hectares (...) of the nation's prime agricultural land were not being cropped, and even if 240,000 hectares of fallow are subtracted, the net figure is higher than that for the land being cropped in the entire large-scale commercial sub-sector of Mashonaland" (Weiner et al., 1985, 269). Some of this land is being used for livestock grazing, but apparently on a very extensive basis according to the authors, who admit that data are insufficient to draw firm conclusions (p. 270).

There were also attempts to quell the persistent belief underlying so much scepticism about land reform that the peasants are inherently less productive than are commercial farmers. For instance, Weiner et al. (1985) and Weiner (1988) show that when quality of land and amount of rainfall are controlled for, communal farmers achieve output-per-hectare figures that compare well with the figures for commercial farms. Indeed since communal farmers consume less high-cost inputs, they can often be regarded as the economically more efficient of the two groups.

Evidence on the performance of resettlement schemes is sparse although Weiner et al. (1985) cite instances of high yield on some schemes. The way resettlement schemes have been planned, however, with large areas set aside for grazing, results

in an efficiency of land use that is not higher than that found in the commercial farm areas. Cliffe (1989: 18) maintains that contrary to the view of commercial farmers that land transfer has had negative effects in terms of output, employment and the environment, "the government's own recent documentation (...) shows that in sheer production terms, resettlement is a clear, though unheralded, success". He declines to cite actual figures, however. But according to *The Economist* (28 October, 1989: 52), a study done for Britain's Overseas Development Administration "claims that the [resettlement schemes supported by the British have] contributed to post-war reconstruction and stability, and now achieves an economic rate of return of 21%. That would make it one of the most successful aid schemes in Africa." Nevertheless, the issue is an unresolved and underresearched one although it is certainly fair to say that some of the many severe problems on the resettlement schemes in the early years were due to lack of experience and were exacerbated by the sustained drought of 1982-84.

However the figures on productive efficiency within the various agricultural sub-sectors look, there is no denying that considerable costs would be involved in the buying of land and establishment of basic infrastructure. The need for physical *resettlement* if land reform is to be undertaken makes the practical exercise of redistribution wholly different in Zimbabwe than in the successful instances of post-World War II agrarian reform in Asia: South Korea, Taiwan and Japan. In the Asian cases, what basically happened was that landlordism was abolished - the actual farming units were to a substantial degree left untouched. In other words, the exercise was broadly one of transfer of title of ownership rather than transfer of land in the physical sense.

The shift during the early-to-mid 1980s of the basis of the debate from one defined in terms of normative-political and 'internal sub-sectoral' concerns to one dominated by financial issues and questions of resource efficiency is itself perhaps a reflection of the waning political force of the 'lost land issue'.

However, the debate also clearly exposes the lack of firm documentation on key points of contention, including the actual performance of resettlement schemes and the extent of underutilisation of land in the commercial farming areas. Weiner et al.'s (1985) figures on land utilisation offer some guidance but we need more documentation of the extent to which uncropped land is being used for grazing. But perhaps the deeper question is rather how much prime agricultural land *should* be used for grazing (Weiner, 1988)? Certainly the commercial farmers maintain that the alleged 'underutilised' land is in fact being well used as cattle pastures, and that it is important to maintain the commercial farmers' ability to expand beef production under the export quota arrangement the country has with the EEC. This argument might carry considerable weight with a government anxious to ease a severe foreign exchange

squeeze by promoting any kind of export possible (Moyo, 1986: 175; Weiner, 1988: 76-9).(3)

The very success of high producer prices and infrastructural build-up in expanding peasant production in the 1980s (to the extent that communal farmers now produce almost half of a year's crop of maize and cotton) also may paradoxically work against land reform because it is tempting for the government to sit back and rely simply on more of the same medicine to deal with the appalling conditions in many communal areas (Moyo, 1986: 181). This could be the case notwithstanding the fact that it has been adequately documented that only the better-off peasants in the more favourable Natural Regions of Mashonaland have been able to make use of greater incentives and expand their production for the market. The proportion of the communal farmers who have benefitted from the policies in question is perhaps 15-20 per cent of the total (Moyo, 1986: 166; Weiner, 1988). Indeed, there is a fundamental question whether high producer prices, credit schemes and infrastructural development can suffice to increase peasant production in the longer term, or if what has been experienced in Zimbabwe since 1980 is really only the one-off gain of the lifting of artificial restrictions on competition from peasants, restrictions that were introduced under the settler regime in order to protect white farmers.

As this brief overview of the debate has shown, there are many uncertainties and unknowns as far as the economic consequences of land reform are concerned. We cannot begin to resolve these questions here; our only issue has been in pointing them out *as unknowns*, a useful exercise perhaps in the emotionally and ideologically charged atmosphere of debate inside Zimbabwe.

However, the discussion has also pointed out another significant trait of the current Zimbabwean debate: up until now, it has been largely confined within the realm of consideration of short-term gains and losses. Surely, however, the issue of land reform is of such *strategic* importance that it should be lifted for a moment out of this narrower realm and rather be seen from the perspective of its potential contribution to the attainment of the basic long-term development goals that the country has set for itself. This does not obviate the need for assessments of economic rationality in the short term, but it might alter people's perspective as to what constitutes an acceptable level of risk.

In the final section of the paper, therefore, we attempt to analyse the issue of land reform in the light of alternative broad strategies for economic development relevant to Zimbabwe in the future (export-promotion, import-substitution, internal demand-led growth). We do this in the belief that there may still be political forces in the society and/or the state capable of producing a shift in policy towards more radical

restructuring of land ownership. However, as we shall see in the next section, much of the literature on this issue casts doubt on the soundness of such a belief.

WHY HAS LAND REFORM BEEN RELATIVELY SLOW IN ZIMBABWE?

We are now in a position to begin to speculate as to which factors might explain the slow pace of land redistribution in Zimbabwe. One major difference of opinion to be found in the literature is between those who accept that land reform is essentially a high-cost, low-benefit exercise for the country as a whole and those who maintain that costs have been exaggerated and benefits downplayed. The former tend to lean in the direction of 'state autonomy'-type arguments for the failure to meet redistributive targets while recognising that radical land reform could have come about even though it is not 'economically efficient' had there only been sufficient political pressure for it from peasants, which there is not (Bratton, 1987: 187-93; Herbst, 1987: 86-128). Those who believe in the basic soundness of radical redistribution of land seem to ignore the possibility of autonomous state action on the issue and stress either externally imposed constraints (e.g., Stoneman, 1988b) or the internal balance of class and group influence (Cliffe, 1988).

Economic Rationality and State Autonomy

Herbst initially stresses that the goals of resettling 162,000 families in three years (Transitional National Development Plan 1982/83-84/85) or 15,000 per year (First Five-Year National Development Plan 1986-90) were unrealistic and essentially "pulled out of thin air" (p. 102). On a more realistic assessment, he maintains, "Zimbabwe's resettlement program, conducted by a young government with no experience in this area, must be seen as a substantial achievement" (p. 104). Rejecting explanations of the slower-than-hoped-for pace of land reform in terms of the political power of the white settlers, Herbst relies instead on lack of bureaucratic capacity and adverse balance of costs and benefits to explain this outcome.

Problems of supplying water, for instance, would have meant that resettlement could not have been conducted on a faster pace "even if the government had acquired more land or simply nationalized a significant portion of land" (p. 108). This assumes, of course, that the additional land to be bought or expropriated would have suffered from one of the same major defects as that which was in fact attained for resettlement; i.e., that it would have been situated in the drier regions where access to water is often extremely difficult. Furthermore, according to Herbst, the Government came to realise that land reform could not really solve the problems in the communal areas, since population growth "produc(es) the equivalent of approximately 40,000 new

families each year" so that even if 162,000 families were resettled, "in four to six years the communal areas would be facing the same land pressure problems that were evident in 1980 (p. 109)". It is not clear, however, why this realisation should slow down resettlement rather than induce for instance greater concentrations of people on the resettlement schemes (many have argued for this possibility as the current resettlement pattern uses land rather extensively). Herbst maintains that the Government instead shifted attention to improvement in the existing communal areas (was there not considerable emphasis on this from the start?). However, it is hard to understand how this could have been believed to constitute a real alternative, since surely the population growth Herbst is referring to might easily undermine the effect of such improvement as well? Of course there is no single solution to the problem of poverty in the communal areas - neither resettlement, investment in the communal areas, or quicker industrialisation will probably be enough themselves. But the combination of the three might perhaps at least help, a realisation which cannot have been entirely lost on Zimbabwean authorities.

Surely the costs involved in the resettlement exercise are an important factor in understanding the limitations placed upon it, as are the uncertainties with respect to how much commercial farming land is really underutilised and what the productive capacity of resettlement farmers really is. However, the strength of the economic arguments against land reform are often taken too much for granted. Bratton (1987) argues that land reform did not pass the test of 'economic efficiency', defined as "a positive ratio of expected benefits to known costs *in the short term*" (p. 178; our emphasis). If this is so, one can only wonder why it came as a surprise to anybody that the short-term costs of land resettlement were high in relation to short-term benefits. In fact, that is exactly what one would expect from any major programme of structural transformation. In general, the state takes upon itself the task of providing for certain goods that carry high initial costs as compared to benefits *exactly for this reason*, and insofar as they are expected to have long term positive effects (as in Rhodesia when the Rhodesian Iron and Steel Company was bought and expanded by the state in the 1940s although steel production required massive subsidies for years thereafter).

The problem with land resettlement is thus perhaps to a large extent one of a lack of clear conceptualisation of long-term expected benefits. Much economic decision-making in Zimbabwe is of course dominated by the Ministry of Finance and the Reserve Bank, which carry responsibility for macro-economic policy and such long-term strategical thinking as there is. The land reform issue has not been discussed in the light of such concerns, rather the field has been left open for the commercial farmers to argue that more redistribution now can only lead to a loss of foreign exchange earnings. As we shall stress later, the perception of risk attached to redistribution which is prevailing in government circles at present might change

with a reconceptualisation of the benefits of such reform in terms of the future of the economy as a whole. A lack of focus upon the link between industrialisation and agrarian change has possibly resulted in considerable loss of momentum for land reform and a shift of attention from long-term structural to more immediate balance of payments concerns.

The other side of Bratton's and Herbst's arguments, the thesis that more rapid land redistribution has not come about in part because of the lack of political pressure for land reform, is perhaps broadly correct although there are a few comments to be made. But before we discuss this, let us consider the explanations coming from those who argue from the political left that land redistribution is inherently 'rational' and that the slow pace of it can only be explained in terms of overwhelming external constraints or the coalition of class forces operating within the country. Usually some combination of the two 'strands of thought' is found, but the emphasis may be on one or the other.

External constraints

Stoneman (1988b) places great emphasis on the Western powers' ability to constrain Zimbabwe's policy choice not only by entrenching property rights in the Lancaster House Constitution, but ensuring that the government "not (...) contest the spirit of the agreement, tied in as it was with the whole complex of aid, trade and investment" (1988b:45). Surely the need for capital from Western countries, the uncertain political situation in Southern Africa, and the demonstration around 1975 of the consequences of white flight from neighbouring Mozambique made the Zimbabwean Government established in 1980 relatively risk-averse.

The degree to which Zimbabwe is constrained in its choice is, however, a difficult matter to resolve. At the moment the discussion cannot be extended much beyond saying that the analysis of external constraints has to be complemented by an analysis of internal political factors, as indeed Stoneman does in his new book written together with Cliffe (Stoneman and Cliffe, 1989). However, the degree of manoeuvre that the Zimbabwean Government has vis-à-vis external actors is clearly also a function of the general well-being of the economy. Thus Zimbabwe has for instance been able to resist some of the demands of the IMF and the World Bank for immediate import liberalisation exactly for the reason that the country has been able to preserve a positive balance of payments and thus can do without stabilisation loans. A well functioning economy is also necessary to withstand pressure from South Africa and finance military intervention in Mozambique. In this indirect sense, there are good reasons of an international politico-economic nature why the Zimbabwean Government would want to move cautiously on land reform.

Returning to the more direct sense in which Zimbabwe may be restrained by external factors from implementing radical land reform, it is not entirely obvious why some types of increased land redistribution - especially if involving underutilised land for which there would be compensation - should provoke open opposition by Western governments and withdrawal of loans and aid. After all, an accelerated resettlement programme was instituted in 1982 in addition to the intensive one agreed upon with the British. Perhaps we might get a clearer picture of the significance of the 'external factor' in the years ahead as the Lancaster House Constitution can, after April 1990, be amended by regular two-thirds majority, opening the way for the possibility of compulsory purchases without necessarily compensating owners in foreign exchange.

Internal Class Forces

It might be tempting to hold that the class of white capitalist farmers has been able, on the basis of its control of a very important economic resource, to reassert its political power after 1980 and that it is the influence of this class upon Government policies which explains the slowness of structural change in the agricultural sector. As Cliffe says (1988:22-3): "They (the white farmers) still retain a massively influential if not always decisive voice in day to day issues of running the agrarian sector... Their political clout is still considerable as evidenced by attacks they mounted on resettlement in Parliament in 1983 and which they renewed in 1988 by white MPs ... and some of their allies among the emerging black 'settler' bourgeoisie." Ability to voice opposition to resettlement in Parliament is, however, not sufficient evidence of real political influence.

If Cliffe attributes much direct power to commercial farmers, Herbst on the contrary seems to deny any substantial influence at all on the part of the commercial farmers as far as the question of resettlement is concerned. His argument is that there has been little conflict between the Government and the commercial farmers on this issue, due to its 'non-zero-sum' nature as long as only underutilised land is being considered for purchase (1987: 1134-118). Surely, however, this ignores some of the more subtle adjustments of respective positions that must occur between a black government on the one hand and a largely white, economically important group on the other. There has perhaps been little overt conflict between the Government and the white farmers. However, it is surely a plausible argument that this is the case to a significant degree because the obvious economic importance of the white farmers induces restraint on the part of the government, while the hostile political environment that the white farmers after all are placed in induces them to go along with some reform in order better to protect the core of commercial farming land.

We believe that a large degree of the influence of commercial farmers lies in the perception on the part of politicians and bureaucrats of their economic indispensability for the time being. In other words, changing perceptions of risk might well reduce the power of commercial farmers to stave off more radical land reforms.

However, proponents of land reform are understandably worried about the tendency for blacks to acquire commercial farms in growing numbers. On the pattern of African class formation by means of political power and the attainment of bureaucratic office (Sklar, 1979; Diamond, 1987; Callaghy, 1987), "a few hundred large commercial farms are now owned by blacks" (Stoneman and Cliffe, 1989: 108) and "although it is officially frowned upon, especially for officials ... the Commercial Farmers' Union are prepared to speak of the 'political weight of their new members'" (Stoneman and Cliffe, 1989: 57). As Diamond (1987: 591) remarks, "at any stage of development, the ownership of landed property is an important mark of class standing, and this is all the more so in African nations, where the most important productive activity is not industry but agriculture" (a statement which needs only some modification in the case of Zimbabwe). Hence, politicians and bureaucrats attempt to acquire commercial farms in many African countries, and the viability of their investment is enhanced or ensured by preferential access to subsidised credit and inputs. In Kenya, for instance, in the 1960s, the wealthy acquired land in the large-farm sector, "often with the help of finance from official institutions." These people had come to attain their wealth mostly because education ensured access to "salaried employment and political influence" (Hazlewood, 1985: 455).(4)

In Zimbabwe, Commercial Farmers' Union officials say they cannot "figure how ministers and politicians who have bought farms managed to acquire the amount of money necessary" (personal communication, 1988). Official salaries are not very high. This suggests corruption, the level of which is supposed to be rising in Zimbabwe(5), although the political system is probably much more honest than in most other African countries. As Stoneman and Cliffe sum up, "there has ... been an attempt to check ... the process of the embourgeoisement of the bureaucracy and of politics, through the imposition of leadership conditions by ZANU on its own personnel in 1984 ... It is part of the everyday coinage of political talk that many members of the government and Parliament have acquired farms and/or businesses - but also that this process has not so far gone very far within the bureaucracy - civil servants talk of keeping ministers honest and committed to social change" (1989: 62).

The Bureaucracy

Cliffe (1988) and Stoneman and Cliffe (1989) also note the continuity in organisational structure, personnel and basic philosophy within the ministries dealing with agricultural affairs. One legacy from settler rule is a technocratic, top-down attitude when it comes to dealing with the peasants. There is reportedly much "mistrust of the peasant option" (Cliffe, 1988: 23), for instance in the Ministry of Local Government, Rural and Urban Development. This is the very ministry that is responsible for resettlement and rural development in general. The Ministry of Lands and Agriculture, on the other hand, is geared more towards servicing the commercial farms. Thus, importantly, the dualist approach from pre-independence times has been carried over into the 1980s despite attempts at restructuring. This leads to much confusion over the direction of agricultural policy and the interconnections between various aspects of it. The bureaucracy tends at times to be divided into a 'technical' wing with much know-how and a 'political' wing overseeing land allocations, with rivalry as in most bureaucratic organisations over allocations of money and responsibility. But this is somewhat speculative, and research into the effects of such bureaucratic divisions upon actual allocations and policies is much needed. It seems reasonable to suggest, however, that to the extent that the Ministry of Local Government has a top-down approach to peasants, evidenced for instance in efforts to tell peasants on resettlement schemes what to produce and how and how much, the Ministry may easily be seen by peasants as suspect with the result that it cannot effectively act as a channel for the voicing of peasant demands upwards in the system.

The Peasants and Formal Interest Group Organisation

Both Michael Bratton (1987) and Jeffrey Herbst (1987), as well as others, argue that land reform was slowed down in part for lack of political pressure to maintain or increase it. While Herbst places emphasis on the lack of formal organisation around the land issue, Bratton focuses on the possibility that Zimbabwean peasants to a significant extent may be motivated by other concerns than a hunger for land. Bratton holds that education is much treasured among peasants (as a means for escaping from rural areas) and lack of access to inputs into production often constitutes as much of a constraint upon production in the view of the peasants themselves as does land scarcity. Therefore, when the Government shifted emphasis from land redistribution to supplying better agricultural services and more education, it could do so without risking much in political terms.

However, there is enough 'squatting' on commercial farms to underscore the fact that demand for new land certainly is there. As late as 1986, the Governor of Manicaland noted the great number of squatters in his province - perhaps 6,150

families or 37,000 people (Herbst, 1987: 143) and the consequent need to resettle them. Reports of eviction of squatters are commonplace in Zimbabwe.

Herbst locates the problem of political access of those demanding redistribution of land in their lack of formal organisation. While the National Farmers' Association of Zimbabwe (NFAZ) nominally represents the country's more than 800,000 communal farmers, the organisation grew out of the master farmers' movement in Zimbabwe, i.e., it is based upon relatively well-off peasants and was historically concerned with providing technical advice to members rather than lobbying for certain government policies (Herbst, 1987). The NFAZ is rather inexperienced, understaffed and underfunded. The general feeling is that the organisation carries little direct political weight and influence. The other black farmers' organisation in the country, the Zimbabwe National Farmers' Union (ZNFU) represents the so-called small-scale commercial farmers (around 9,000 members) and has little political weight as well, because of its members' reputations as collaborators with the settler regime. Anyway, the small-scale commercial farmers' interests are not in resettlement of peasants but in the retention of a large freehold sector (Herbst, 1987: 121-2).

The farmers organised in the NFAZ have extensive investments in their peasant landholdings (a fact noted by Bratton). It is therefore uncertain to what extent many of them are interested in acquiring new land, although the NFAZ officially advocates continued land redistribution, pleading that the Government select efficient farmers rather than the landless and inexperienced for such resettlement. Having profited from the increased opportunities after 1980 for getting their produce to the market and selling it at a reasonable price, they are likely to favour more rather than less emphasis on further improved agricultural services should a trade-off be perceived between such policies and land redistribution.

However, the population pressure in the communal areas is still there and the formal bureaucratic and interest group organs are not the only ones through which political pressures are being channelled. The pressure is still sufficiently strong to induce both Mugabe and Nkomo to speak on the injustice of the present situation. Elections are coming up in 1990, apparently there will be some sort of competition between candidates or parties (Edgar Tekere has announced the formation of a new party, the Zimbabwe Unity Movement) and dissatisfaction with the Mugabe Government is alleged to be quite widespread. As long as the institution of electoral competition is being upheld in some form, at least some minimal pressure will probably continue to exist for intensified land reform. Indeed, Herbst himself notes that local ZANU leaders have been among the most active in encouraging squatters and acting as their representatives (1987: 144).

Land Reform and Development Strategies

Although the pressures for land redistribution from the peasants themselves may not be overwhelmingly strong and there are clearly significant political forces working against radical structural change, the possibility that the state might in the future act in the direction of significant transfer of assets to peasants should not be discounted. Such action, if it comes about, is perhaps somewhat unlikely to be due to a change in balance of class and interest group forces in the country. Scepticism on this score is warranted by several facts, including the possibility that the forces backing reform are indeed being weakened rather than strengthened as a result of several processes:

- 1) Government and party officials are buying farms in increasing numbers and land redistribution may soon come to run against their self interest;
- 2) There is a danger that with the unity between ZANU and ZAPU now apparently secured and the one-party state within reach, political incentives on the part of the Government to comply with peasant demands for more land may be reduced;
- 3) Continued economic crisis may cement the current cautious attitude of Government officials into outright inertia.

To break out of the current impasse the issue of land reform must be analysed in a broader perspective than so far undertaken within Zimbabwe. The country is clearly at a cross-roads in terms of choice of development strategy for the future. Not only is it at a cross-roads, but the Government has already indicated the broad direction in which it wishes the country to go from now on.

All too frequently in Zimbabwe, when land redistribution has at all been discussed in terms of broad economic strategy, the issue has been its relationship to the goal of 'socialism'. However, whether or not socialism is still on the agenda for Zimbabwean policy-makers is at best unclear (Mandaza, 1986b; Davies, 1988; Stoneman and Clife, 1989). It might be better to analyse land reform in terms of the possible effects of a greater redistribution of assets upon the mixed economy that Zimbabwe has and seems rather likely to keep in the foreseeable future. Furthermore, there is nothing necessarily 'socialist' about land redistribution as such. Of course, greater equality is an important concern of anyone on the political left. Nevertheless, it should be kept in mind that the successful reformers South Korea and Taiwan undertook the redistribution of ownership from landlords to peasants under right-wing regimes and with much support from the United States.

We believe that new insights will be gained by discussing the issue of land reform in Zimbabwe in the context of choice of industrialisation strategy on the basis of an

essentially capitalist organisation of production. An important fact in this context is that there is a clear realisation in Zimbabwe that the import-substitution industrialisation (ISI) strategy pursued by the country since the white minority's unilateral declaration of independence (UDI) in 1965 has had its successes in the past but has been largely exhausted for the time being. The question has thus arisen which new direction to follow. The government's policy - supported to a considerable extent by the country's important interest groups - has been to carefully expand 'non-traditional' exports through various export subsidies (an export revolving fund being a major device). At the same time, the tendency is to hold on to the strong protective device of a foreign exchange allocation system in order to preserve the present industrial structure to the greatest extent possible (Skalnes, 1989). However, continued economic liberalisation is a permanent issue, the recent debate focussing upon how to attract new foreign investment and whether or not there is a need for more substantial currency devaluation.

If any country in sub-Saharan Africa is equipped to undertake a successful export drive and seriously apply for status as a new 'newly industrialised country' (NIC) it must be Zimbabwe, for the unsurprising reason that Zimbabwe is not so newly industrialising after all. Indeed, secondary industry's contribution to GDP surpassed that of agriculture as early as the 1950s. Manufacturing exports played a considerable and quickly increasing role in Rhodesia as far back as the immediate post-World War II period. It seems that manufactured goods constituted around 40 per cent of total exports immediately before UDI(6), their destination being mainly Zambia and South Africa. During UDI and the early 1980s, the figure dropped to below 20 per cent, but seems to be on the rise again.

What might the role of land reform be within a change of industrialisation strategy from import-substitution to export promotion? In the Zimbabwean debate, those who present themselves as clearly in favour of land redistribution seem to offer such structural change as an *alternative* to an export-led strategy. Taking a pessimistic view of the potential for substantially increased exports leading to significant economic growth, they offer redistribution of assets as part of the solution to the problem of insufficient internal demand (for instance, Robinson, 1987; Stoneman, 1988b). According to Stoneman (1988b: 59), "greatly increased production for the world market would seem to be a somewhat paradoxical policy for a country whose main characteristic is the low consumption among its own people. A radical structural transformation, at present only talked about, would need to replace the uncertain external demand by greater internal demand, so providing alternative sources of growth through turning widespread felt needs into 'effective' demand."

This tendency on the 'left' of seeing the strategies of export-led growth on the one hand and internal demand-led growth on the other as opposites (incompatibles?)

plays well into the hands of their political rivals on the other side of the political spectrum. These rivals would tend to maintain that export growth of any kind is so desirable from the point of view of the national economy that any degree of land redistribution should be avoided lest it lead to restrictions on the output of the commercial farming sector, especially when seen in the light of the recently increased beef export quotas to the EEC (manufacturing exports are also often processed agricultural goods such as textiles).

It is almost strange that as yet none of the participants in the Zimbabwean debate seem to have noted that two of the four very models of successful export-led industrialisation, South Korea and Taiwan, are also among the foremost examples of successful redistribution of land in the capitalist part of the world(7).

If import-substitution industrialisation, export-led growth and internal agricultural demand-led growth are the three main strategical options available to African countries (Hawkins, 1986), and the former alternative is 'exhausted', the extent to which the latter two are complementary should be seriously considered by advocates of land reform. This is so because efforts to increase exports - of industrial as well as agricultural goods and metals and minerals - are bound to be pursued in a country like Zimbabwe which has only managed to keep a positive overall balance of payments through severe import-compression. In 1987, the Confederation of Zimbabwe Industries (CZI) estimated that import allocations for production for the domestic market were below 40 per cent of their value as of 1980 (Rusinga, 1987). Import reduction on this scale is impossible without hurting output. In 1985, imports of intermediate and capital goods, i.e., inputs into domestic production, accounted for some 70 per cent of total imports, while petroleum made up a further 15 per cent (World Bank, 1985). Few 'luxuries' are thus imported which the country can do without in the event of future increased balance of payment problems. Any talk of increased self-reliance and delinkage from the world economy is bound to be ignored under such circumstances (Zimbabwe is anyway much more self-reliant than any other black African country. This is in part due to the strategy pursued during the UDI period of agricultural and industrial diversification, a strategy that was a response to international sanctions).

If successful, an export-led industrialisation strategy may have considerable advantages not only in terms of aggregate growth and foreign exchange earnings, but also as far as increased employment and a more egalitarian distribution of income is concerned. The latter two effects tend to simultaneously widen the internal market for manufactured goods. As has been noted by a range of scholars, import-substitution industrialisation, on the other hand, has had serious negative effects. Under ISI, export earnings have tended to stagnate while local industry has become more rather than less dependent upon imports. Furthermore, excessive capital-intensity has been

encouraged instead of utilising the poor countries' initial comparative advantage in low wages. And inequality has if anything been exacerbated and poverty made worse as in the notorious example of Brazil (Griffin, 1989; Haw-kins, 1986; Hirschman, 1971 and 1981; Nixon, 1982).

There are a number of myths connected with the success of export-led growth in the Asian NICs. It has often been maintained that the export-led strategy is based on *liberal* economic policies, i.e., an absence of protectionism and *dirigism*. Such a general characterisation of economic policies fits perhaps Hong Kong, while the economic policies of Singapore, South Korea and Taiwan have centred around a rather heavy dose of state involvement. The financial markets have been regulated, investment subjected to strict controls, and the internal market for manufactured goods shielded from competition from imports. However, the *degree* of protection appears to have been less in a country such as South Korea than in most Latin American cases, so that it has been possible by way of export incentives to reduce or eliminate the inherent tendency for firms to turn exclusively towards the internal market (*The Economist*, 4 March 1989). Furthermore, protectionism has tended to take the form principally of tariff barriers rather than the overvaluation of the currency. Of course, there are limits as to how strong protection can get before the internal cost structure militates against export success. It is interesting to note that key post-1982 Zimbabwean policies are based on these principles, notably the controlled devaluation of the currency (8) and the maintenance of import control simultaneously with a gradual extension of export incentives.

In principle, an export-led industrialisation strategy has greater egalitarian consequences than an import-substitution one. This follows from the non-overvalued nature of the currency (8). When the currency is not overvalued, artificial cheapening of capital imports is avoided, so that incentives are not skewed towards importing an 'excessive' amount of capital goods (or any other imports not subject to off-setting tariffs). Instead, industries have a clearer incentive than under ISI to employ more labour. Thus a larger share of value added accrues to workers rather than capital owners with positive consequences in terms of reduced inequality. Monetary policy seems to reinforce the contrast between ISI and export-led industrialisation on this point. In countries pursuing ISI, real interest rates have often been kept negative so as to attempt to stimulate investment, thus leading to even greater capital-intensity. In South Korea, on the other hand, the government embarked on the opposite course when in 1965 it doubled nominal interest rates. This forced industry to use more labour-intensive methods of production. More 'realistic' interest rates also served to transfer capital from the curb to the formal market so that the government could exercise tighter control of financial flows. (Griffin, 1989: 122). (9)

The four Asian NICs have had great success in absorbing surplus labour, and wages have risen fast, in South Korea by more than seven per cent annually between 1965 and 1983 (Griffin, 1989: 125). Thus a gradually larger share of manufacturing and total value-added has accrued to workers so that income distribution has tended to become more egalitarian, ensuring the continual widening of the internal market for manufactured goods.

However, in Taiwan and South Korea, the egalitarian results of export-led industrialisation are closely tied to the consequences of the prior radical redistribution of assets in land. The agrarian reforms undertaken in the late 1940s and early 1950s largely wiped out a class of landlords and converted tenants into owner-operators. This had a profound effect on income distribution (distributions of income in South Korea and Taiwan are among the most equal in the world), transformed the rural areas - with the help of a host of agricultural support policies - "into a well-developed and important market for non-farm goods and services" (Berry, 1989: 183) and increased the supply-price of labour in the manufacturing sector as well (Griffin, 1989). It is improbable that the egalitarian and internal market-expanding effect of export growth could have been so pronounced had not the opportunity cost of labour been increased through redistribution and development in the rural areas.

What we want to stress here is not that all aspects of the South Korean or Taiwanese experience can or should be emulated. But the broad lessons with respect to the consequences of land reform upon the success of an export-led strategy in leading to rapid (and even) development should be considered and discussed in Zimbabwe.

These consequences seem in sum to be broadly as follows:

- (1) the widening of an internal market simultaneously with export promotion, so that the industrialisation strategy is really two-pronged;
- (2) the mopping up of considerable surplus labour through the creation of better opportunities in the agricultural sector, so that
- (3) wages in industry rise faster, thus having additional benefits in terms of (1).

An export-led industrialisation strategy can thus have greater multiplier effects if undertaken on the basis of a prior substantial redistribution of assets.

An export-led strategy in a situation of grossly unequal distribution of assets might in certain ways intensify rather than modify that inequality. In Zimbabwe, opportunities for the export of a range of agricultural products have increased in the 1980s

(for instance, beef, horticulture, tobacco), yet employment on commercial farms has decreased from 335,000 in 1979 to 270,000 in 1986, due in large part to the introduction of minimum wages after Independence, according to the commercial farmers themselves. If so, this only goes to show that there is little room for increased wages and higher levels of employment even should export growth from the present large-scale farming sector be a success. This is worrisome in an economy where unemployment a few years ago was 23 per cent according to official (under)estimates (EIU, 1988: 12) and growing rapidly.

CONCLUSION

This paper has attempted to analyse the reasons why land redistribution in Zimbabwe has been rather slower in the now ten years since the country gained independence in 1980 than one was led to believe it would be from early policy statements.

Two major perspectives on this issue can be abstracted from the current literature. One perspective emphasises autonomous state non-action being a result of the great economic costs involved in the land reform exercise. The other perspective denies the economic 'irrationality' of land redistribution and seeks to locate the slowness of change in a balance of external and internal class forces that is uncondusive to structural change.

Our position is broadly that the economic rationality issue is unresolved due to the constricted nature of the debate within Zimbabwe. While recognising that societal forces may not be of a nature which would lead to asset redistribution, we believe that a possibility for renewing serious debate on the issue may lie in shifting the perspectives of the debate: a major transformation of the economic and social structure such as land reform should be evaluated not only in terms of short-term benefits and risks, but first and foremost in terms of the overall strategy of economic development that the country appears to have set for itself.

At the moment, this strategy is *not* - realistically speaking and like it or not - transformation to socialism but more simply a shift from import-substituting industrialisation to export-led growth within a basically capitalist organisation of production. The failure to argue the case for land reform within the perspective of the *likely* future path of the country (as opposed to the path ostensibly *desired* by those who favour reform) weakens that case because commercial farmers can then from apparent strength argue that redistribution will inevitably threaten export success rather than bolster the possibilities for success of the strategy, as we believe might well be the case.

These issues are especially important to consider now that the Lancaster House Constitution can be revised by normal constitutional procedures. But longer term changes in political forces do not seem to move in favour of land redistribution, so what we may be experiencing could be the reformists' final chance.

NOTES

1. The country is divided into six ecological zones according to soil quality and amount of rainfall. These zones are called 'natural regions' (NRs), each of them being suited for particular types of land-use. As Munslow (1985:42) explains, three-quarters of African land falls within natural regions 4 and 5, which are "low rainfall, subject to droughts and (...) only suitable for low density live-stocking". The most productive land (NRs I and II) is found in the north-eastern parts of the country (the three Mashonaland provinces and Manicaland). Only 13 per cent of NR I and 25 per cent of NR II is owned by blacks.

2. Compulsory purchase can take place if land is 'underutilised' but the owner is entitled to immediate payment of the full value of the land in foreign currency (Cliffe, 1989: 17).

3. In 1984, for instance, "beef exports (including cattle hides), earned [Zimbabwean \$] 49.6 million, or 3.5 per cent of national foreign exchange" (Weiner, 1988: 76). Since then, the Zimbabwean EEC beef quota under the Lomé Agreement has been increased. Sam Moyo has documented an increase in the number of cattle on commercial farms in Mashonaland following the original Zimbabwean - EEC quota agreement (Moyo, 1985).

4. However, "despite some notably prosperous agricultural businesses, large farms have not always been a success. In 1975 funds were provided by the World Bank for a large-farm rehabilitation programme, the need for which is perhaps a further indication of the advantages of small-scale settlement" (Hazlewood, 1985: 455).

5. The 'Willowgate' affair was a major scandal exposed in 1989 involving the illicit sale of cars by high-ranking politicians and members of Government (the import of cars is subject to quota and the internal sale price is controlled. Huge profits can therefore be made from the sale of cars on the black market). A Commission of Inquiry was appointed after the newspaper *Bulawayo Chronicle* had exposed the matter. Several of the politicians and ministers involved were required to leave office. This might suggest that proven instances of corruption will be dealt with effectively in Zimbabwe, but on the other hand the police met students who protested in September 1988

against corruption with rubber batons and tear gas; and Edgar Tekere was expelled from ZANU at roughly the same time precisely because he was being too vocal on the issue of high-level graft.

6. Davies (1981: 195) says 43 per cent; the figure given in Jansen (1983: 35) is 39 per cent.

7. The two other successful industrialisers through export growth, Hong Kong and Singapore, are, as city-states, irrelevant to the issue of land reform.

8. It must be noted, however, that this devaluation has not been large enough for the currency to be considered not overvalued. In 1987, the World Bank (1987: 38) suggested that at least a 20 per cent devaluation would at that time be necessary in order to maintain a favourable balance of payments in the absence of a continued reliance on the foreign exchange allocation system.

9. In a major departure from the general pattern of ISI policies, Rhodesia for a considerable time after 1965 kept real interest rates positive. Strict price control ensured a lower rate of inflation inside the country than in its major trading partners, leading to a real slide of the currency (World Bank, 1987: 5-12). The tendency for the internal price structure to get wildly out of line with international prices was thus discouraged, as was excessive capital intensity. Sanctions indeed increased the price of capital relative to labour and encouraged more labour-intensive methods of production than had prevailed in the previous decade. Capital investments were kept low while employment increased 1.8 per cent annually between 1965 and 1975, after which employment fell and output stagnated due to the gureilla war and general economic crisis. See Jansen (1983).

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