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Zimbabwe's Economic Interventionist Policies: Critical Issues and Perspectives

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Abstract
History has shown that it is customary for the long-time ruling party, ZANU PF, to conjure economic blueprints, with the current Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZimASSET) being the latest in a string of similar adventures. This article provides a critical analysis of a cocktail of piece-meal economic policies prior to ZimAsset, including the disreputable Indigenization and Economic Empowerment Act of 2008 which was meant to attract Foreign Direct Investment (FDI), but ended up scaring away potential investors.[1] *It argues that given that ZimAsset's implementation is premised on the availability of financial resources, which the country does not have and that FDI is not trickling in, it is bound to fail.*

Keywords: Economic policy, ZimAsset, ZANU PF, Foreign Direct Investment, Plethora

Introduction

Over the years, Zimbabwe has embarked on several economic interventionist policies. Consequently, the country is not stranger to the conjecture of economic blueprints as far back as the 1980s when the country got its political independence from Britain. Since the turn of the new millennium, Zimbabwe's economy has been on a downward trajectory, characterized by high inflation, spiralling prices, chronic unemployment and soaring national debt levels. The introduction of the multi-currency regime that coincided with the government of national unity (GNU) in 2009 seemed to have halted the haemorrhaging of the economy but following ZANU PF's disputed "landslide" victory in the July 31 2013 Harmonized Elections, economic challenges have once again re-emerged. This is reminiscent of, and comes hard on the heels of the political opposition MDC-T leader's Mr. Morgan Tsvangirai's cautionary statement that "*While Mugabe has rigged the elections, he cannot rig the economy*".[2] The desperate economic situation in the country was exacerbated by the low capacity utilization in industries of around 39 percent in the 3rd quarter of 2013, unemployment as high as 75%, liquidity crunch, lack of lines of credit from major International Financial Institutions (IFIs) as well as a general lack of FDIs being some of the major challenges that have plugged the Zimbabwean economy and gain (Sikwila, 2014). Against this backdrop those who steer the affairs of the ship of state have crafted the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZimAsset) to take Zimbabwe to economic prosperity. It has been noted that while the blueprint is ambitious, it cannot be fully achieved within a period of 5 years, given that the country is thin on resources. This article analyses this blueprint, assesses its ability to take the country to the desired economic development level. Two years down the line, that is from the inception of ZimAsset in July 2013 to December 2015, when initial evident gains from ZimAsset were expected, there is very little to show for the efforts of ZimAsset. However, it is from the 2016 farming season that the Command Agriculture was introduced which boosted agricultural production. The article concludes by providing possible prospects for the success or failure of the ZimAsset project, especially given the impending 2018 electoral contest and the accumulation of dismal economic and political performances that have lived to haunt ZANU PF.

A Brief Overview of Interventionist Economic Policies in Zimbabwe

Zimbabwe's economy has been inundated by a plethora of challenges and these have been met by attempts by government to put in place interventionist policies have been characterized by heavy political overtones. Consequently, in line with its commandist approach to governance, the Government of Zimbabwe adopted numerous interventionist economic policies to resuscitate its flagging economy during the different epochs of the country's post-colonial history. Each interventionist policy sought to serve a particular purpose in the post-independence economic history of the country. The 1980s were characterized by annually-denominated development plans. Of note were the Growth with Equity (1981), the Three Year Transitional National Development Plan (1982-85), and the First Five Year National Development Plan (1986-90) policies. The objectives of the first two policies were in sync with the political philosophy of the country during the time and sought to create a "socialist and egalitarian and democratic society" and to achieve economic transformation and growth.[3] World Bank data showed that Zimbabwe's GDP was growing by an average of 5.38% per annum between 1980 to 1990 and that public expenditure was high for most of the decade which explains the country's flagging economic fortunes from the mid 1990s. A lot has happened in economic and political cycles in Zimbabwe since 1990, with Zimbabwe having gone through an economic downturn which saw inflation spiraling out of control and the introduction of various local currencies under a cocktail of names such as bearer cheques and agro cheques. Currently, the country is using the multi-currency system which in essence is proving to be problematic characterized by cash shortages resulting in the introduction of a surrogate local currency dubbed 'bond notes' which has been illegally and irrationally equated to the US$ (Nyambirai, 2016).[4]

With the economy of Zimbabwe showing signs of failure and malaise, the post 1990 era saw Zimbabwe undertaking several interventionist policies for economic recovery. After evident economic malaise, the government in 1990 embarked on a World Bank-sponsored five year Economic Structural Adjustment Programme (ESAP) aimed at liberalising the economy to a more market-driven one. In line with the dictates of the World Bank supported ESAP, the World Bank supported Zimbabwe with a US$125 million structural adjustment loan and a US$50 million structural adjustment credit which Zimbabwe was receptive to (Ruwo, 2014). This is despite the fact that the same World Bank-sponsored ESAPs had failed in Zambia and Malawi (Zimbabwe's Federation of Rhodesia and Nyasaland partners in the early 1960s). In its state of desperation for an economic bail-out, Zimbabwe failed to draw lessons from the dismal performance of ESAPs from her two neighbours. In 1991, a Framework for Economic Reform (1991-95) was announced and sought for privatisation of state-owned enterprises. According to World Bank data, the economy achieved an average annual GDP growth of 1.39% between 1991 and 1995, a commendable achievement at that. In 1998, the Zimbabwe government belatedly launched the second stage of its economic structural adjustment programme, the Zimbabwe Programme for Economic and Social Transformation (ZimPREST). The ZimPREST (1996-2000) was aimed at creating a stable macro-economic environment to support increased savings and investment in order to achieve higher growth and improvement in the standard of living for the people of Zimbabwe (Ruwo, 2014). The interventionist economic recovery policies had, by 1996 yielded an average annual GDP growth rate of 2.41% which was a commendable achievement given the ailing economic environment of the time.

As though the foregoing economic policies were not enough, the country on the dawn of the new millennium came up with a Millennium Economic Recovery Programme (MERP) which lasted from August 2001 to the end of the year 2002 and sought to arrest the economic decline (Ruwo, 2014) that had come to characterize the Zimbabwean economy, especially on the backdrop of the deployment of troops to the DRC in 1998 among other unsanctioned expenditures (Maringira, 2016). The MERP was followed by the Ten Point Plan of 2002 which was under the Post-Election Economic Development Strategy and Economic Recovery Programme exhibited a dismal failure to resuscitate the economy (Ruwo, 2014). Ruwo (2014) further assets that in 2003, the National Economic Revival Programme (NERP) was instituted, followed by a Macroeconomic Policy Framework that was implemented between 2005 and 2006. In 2007 the government brought about the National Economic Development Priority Programme (NEDPP), which came hard on the heels of the Zimbabwe Economic Development Strategy (ZEDS) in 2008. The proximity of the various policies were evident of a desperate country that was gasping for breath and an attempt to keep its head above the water. This alarming frequency of policies is such that it is indicative of a fast declining economy, especially given the mark that had been left on the economy after the Land Reform Programme, especially its sequel, the Fast Track Land Reform Programme of the year 2000.

From the foregoing plethora of policies and blueprints, it has become evident that Zimbabwe has no dearth of conjecturing economic policies — over a dozen of economic policies in 34 years were implemented (Ruwo, 2014). It can therefore be observed that Zimbabwe's capacity to write economic and monetary policies is unprecedented and what has been the problem has been in the implementation of the economic policies and blueprints which can be faltered.

Despite the plethora of economic policies, it has been noted that between 2001 and 2008, GDP declined at an average of 7.59% per annum, with the African Development Bank having labeled the period between 2000 and 2008 "*the Lost Decade*" of Zimbabwe as the country experienced "a sustained and broad-based decline in economic activities" (Sachikonye, 2012). Hard on the heels of the 2008 economic meltdown came the Short Term Emergency Recovery Programme (STERP) (Feb-Dec 2009), which was a concerted effort by signatories to the Global Political Agreement signed on September 15 2008, focusing on "*getting Zimbabwe moving again*". This recovery programme was meant to reverse negative growth rates, devaluation of the currency, low productive capacity, job losses, food shortages, poverty and massive de-industrialization. With STERP came the adoption of a multi-currency regime commonly known as dollarization during which the worthless and valueless Zimbabwe dollar was demonetized and South African rands, United States dollars and other identified convertible currencies became legal tenders.

Sensing the potential of STERP for economic recovery, the new Government of National Unity (GNU) embarked on STERP 2 in August 2009, which incorporated the Three Year Macro-Economic Policy (MTP) and the Budget Framework for the years 2010-12. The MTP dealt with broad developmental and growth policies while the budget framework provided a bridge between STERP 1 and the MTP. The period 2009-2012 achieved a sizeable economic annual average GDP growth of an impressive 8.65%, ample evidence that Zimbabwe was on the right path to economic recovery. Up until 2013 when the GNU expired the economy was enjoying steady and significant growth. However, after the expiry of the GNU, ZANU PF decided to go it alone and upon "winning" the July 31 2013 elections, embarked on the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZimASSET), a five-year policy running from October 2013 to December 2018 with the sole mandate to drive Zimbabwe: "towards an empowered society and a growing economy and sustainable development and social equity anchored on indigenisation, empowerment and employment creation" (ZimAsset, 2013: 24).

The latest policy, ZimASSET, is set to revive the fortunes of the country which has been under immense pressure since the dawn of the new millennium. The Reserve Bank of Zimbabwe (RBZ), in its July 2014 Monetary Policy Statement, noted that to succeed, ZimASSET requires "*robust and prudent fiscal and monetary policy measures"* and that the policy requires a total funding requirement of US$27 billion ex-post (Maringira, 2016). Domestic and international financial support will be required. However with financial friends getting fewer by the day, and the cash crunch setting in, it remains to be seen whether Zimbabwe will weather the economic storm bedevilling the country. This article deliberates on the extent to which ZimASSET will be able to resuscitate the economy of the country and provide a healthy and competitive economic environment for the people of Zimbabwe. In a nutshell, a lot has happened in Zimbabwe in economic and political cycles since 1990. The list is endless as Zimbabwe limped from one currency to the other, seeking a solution to a crippling inflation that manifested itself during the last decade of the last millennium and the first decade of the new millennium. Finally, the country went through an economic downturn which saw inflation spiralling out of control and the introduction of various local currencies under a cocktail of names such as bearer cheques and agro cheques. Today, the country is using the multi-currency system, though the shortages of the US$ is proving to be a mammoth task for the country to realise fruition of the ZimAsset, an economic blueprint that ZANU PF is pinning its hopes on for the turnaround of its seemingly crumbling economy and to prove that it can do without coalition partners, notably the MDC factions as was the case during the GNU era.

Background to the Crafting of ZimAsset

The above literary deliberations have not only discussed the significance of participation, but indicated the prospects of success of people-driven programmes. The Zimbabwe Agenda for Socio-Economic Transformation (ZimAsset) economic blueprint was crafted in October 2013 after the ruling ZANU PF party had romped to a landslide victory ending a stormy marriage with the opposition MDCs, namely the MDC-N party led by Professor Welshman Ncube and the Morgan Tsvangirai led MDC-T political outfit during the GNU era. The resultant Government of National Unity (GNU) had come about in 2009 following the 2008 Harmonised Elections which had been narrowly won by the MDC-T with about 43% of the vote thus falling short of the 50% + 1 needed for an outright victory. In the run-off election pitting Mugabe and Tsvangirai following the inconclusive 2008 elections, Tsvangirai withdrew citing an uneven political playing field characterized by unprecedented violence to its supporters (Raftopoulos, 2009). Tsvangirai alleged there was too much violence claiming that nearing 200 of his supporters had been killed at the hands of state security agents and ZANU PF supporters. During the tenure of the GNU a multi-currency system was adopted and with it the devastating inflation that had characterized the country's economy was dealt with. For much of the era of the GNU, inflation sank to 4.5% from 23, 000, 000% before the GNU and economic growth rate was averaging about 6% (MacGreal, 2008). However, with ZANU PF's victory in the July 2013 Harmonised Elections, the economy took an immediate knock. There was the infamous 'one billion economy' where about a billion dollars was moved from the Zimbabwe Stock Exchange in a short period of time. Industrial capacity utilization in many industries was about 39 percent and unemployment hovered around 75% (Maringira, 2016). Additionally, delivery of housing in urban centres has always been below demand resulting in serious housing challenges in the towns and cities. Water and sewer reticulation are also major challenges facing many cities (African Economic Outlook, 2017). The ratio of wages in the budget became increasingly too high to have a sound economy with estimates having been pegged at 85 percent. This scenario left very little room for infrastructural development considering that more than three-quarters of the budget has been going towards recurrent expenditure (African

Economic Development Institute, 2016). The size of the external debt has also been worrying, with a cumulative external debt of over US$12 billion representing over 100 percent of GDP (African Economic Development Institute, 2016). Currently, due to lack of FDI and shortage of foreign currency, the country's development prospects are hamstrung. Politically there was considerable polarization with the opposition MDC-T commanding a significant following among the general populace. It is this desperate economic situation that has been the driving force behind the crafting of the ZimAsset blueprint with seemingly impressive objectives.

ZimAsset: Objectives and Clusters

The major objective is held n the hope to bring about accelerated economic growth and wealth creation between October 2013 and December 2018 (ZimAsset: Foreword). ZimAsset projects to grow the economy by an average 7.3%. The economy was expected to grow by 6.2% in 2014 and expected to be on an upward trajectory until it reaches 9.9 percent by 2015 (ZimAsset: 27). The blue print additionally hopes to achieve sustainable development and social equity anchored on indigenization, empowerment and employment creation that were said to be achieved on the basis of the judicious exploitation of the country's abundant human and natural resources.

ZimAsset has been divided into strategic clusters for easier prioritization and parcelling out to various line ministries for implementation. The four clusters are Social Services and Poverty Reduction, Food Security and Nutrition, Infrastructure and Utilities, and Value Addition and Beneficiation. With respect to cluster No. 1 the authors of ZimAsset posit that social services should be available to all and sundry by 2018 and by that date the country would have made significant strides to reduce poverty among the populace. Food security and nutrition are also prioritized such that it is hoped that by 2018 food security for all should be attained and the country should be able to claim its Bread Basket of Southern Africa's status (ZimAsset: 50) and all citizens must be able to have access to balanced diets thereby enhancing their nutrition and ability to fight diseases. To advance the objectives of this cluster, adequate and timely provision of affordable agricultural inputs is emphasized as well as development of irrigation agriculture and mechanization. Attention should also be made to infrastructure development because without it development cannot be achieved (African Economic Development Institute, 2016). However, given that ZimAsset's implementation is premised on the availability of financial resources, which the country does not have and that FDI is not trickling in, it is bound to encounter challenges in this regard. Parastatals and local authorities must also be able to deliver on their mandates. Without their services development may not be achieved. Finally for the country to derive maximum value from its abundant mineral resources there must be value addition. In this regard there is need to establish a diamond college and diamond experts produced by 2015.

Weaknesses

It was evident from the onset that the major weakness that afflicts ZimAsset is that it is an over ambitious policy that seeks to achieve almost everything within a five year period. ZimAsset came about against a backdrop of lack of finances and a clear development strategy to realize its success. From availing services like public health and education to poverty reduction, infrastructure development, attaining food security to value addition of the country's mineral resources, one notes that the blueprint is all encompassing. It can therefore be argued that ZimAsset wants to achieve too much with too little resources in too short a time. This is because this is a 5 year economic policy set in motion towards the end of 2013 and is supposed to be ended in 2018. This would be difficult to achieve given that the government has very little fiscal space for infrastructural development and other things because 85% of the national budget goes to salaries (Bonga, 2014). As a result, it should be argued that the state does not have the financial power to translate its blueprint into deliverables. While it could be argued that the basic architecture to attain most of these goals is available, what ZimAsset does not do is to clearly outline the development strategy to be pursued (Bonga, 2014).

A former Minister of Economic Development during the GNU era, emphasized how some selected Asian Tigers based their development strategies on particular key drivers (Mashakada, 2014). South Korea emphasized shipbuilding while China had an appetite for selective Foreign Direct Investment (FDI) during the time when they were rapidly industrializing. China's desire for FDI was so strong that in its Southern province of Guang Zhou, a whole new special economic zone was created. Malaysia is said to have underpinned its development on a democratic developmental state system (Mashakada, 2014). This is a point missed by the crafters of the ZimAsset blueprint. It should have been leveraged on clearly identifiable variables for which the country has a competitive advantage. Emphasis on a well- articulated development key driver was in order to give further clarity to ZimAsset.

Its other weakness has been the lack of consultation and broad-based participation from its inception. While the authors of the ZimAsset document note that the blueprint was a result of a consultative process involving the political leadership of the ruling ZANU PF party, government, the private sector and other stakeholders (ZimAsset: 8), there is evidence on the ground to argue that the consultation was not as broad-based as one befitting of a national economic policy formulation process. Even the former Vice-President Mrs Joice Mujuru has frequently noted that a number of interest groups like youths and women were not consulted in the run-up to the drafting of this economic policy. One youth remarked during an interview that, "*Something for us without us is against us*" (Interview, 16/05/15). This is contrary to the World Bank's dictate on participatory democracy which emerged from the early 1990s and which has helped shape World Bank policies to developing countries. Nowadays World Bank dealings with countries requiring financial assistance have anchored on bottom-up rather than the top-down approaches to development. The Bretton Woods institutions have generally discredited top-bottom approach as being out of sync with the people's immediate needs and current trends on participatory democracy. Broad-based genuine participation of the local people in the determination of the challenges, solutions thereof and implementation of the suggested solutions is the way forward (Chitiyo, 2016). However, while the bottom-up approach to development may be noble practice, events on the ground have proved otherwise, given that the poor cannot influence policy. Consequently, ZimAsset has fallen short of the requirements for broad-based co`nsultation, taking into consideration that this is an intervention meant to benefit the generality of the people.

It has also been noted that the narrow consultation leading to the crafting of ZimAsset has culminated in expression of ignorance on the part of many citizen. Few people know what ZimAsset is all about and what it stands for. It is also evident that there is very little knowledge beyond just the four clusters of the blueprint, taking cognizance of the fact only government ministries have been given access to information, documentation and mandated to ensure the implementation of ZimAsset. This is despite the literacy rate of the country which is about 92 percent (ZimAsset: 8).

Challenges Afflicting ZimAsset

The ghost of sanctions imposed on Zimbabwe in 2002 after a disputed electoral process has left the country licking wounds of failure to comply with electoral international best practices. This saw the weaning of investor confidence and subsequent shrinking of FDI. With the absence of foreign currency, the country became hamstrung in its economic endeavours. This has also adversely affected the implementation of ZimAsset. Consequently, the greatest challenge to afflict ZimAsset is lack of adequate funding, especially given that it was a project that was done off the cuff with no funding set aside for its implementation. It has been noted that the blueprint needs an estimated US$27 billion for it to bear fruition and this is no mean amount for an economy that is struggling to pay even its civil service (World Bank, 2015). Its pay dates are no longer fixed and neither are the civil servants and quasi-civil servants paid in time and that all points to constrained fiscal space. With over 78 percent of the country's Gross Domestic Product (GDP) going towards recurrent expenditure (African Economic Outlook, 2016), a situation that the Finance Minister bemoaned there is very little room to manoeuver. For instance out of the US$ 4.1 billion budget for 2014, 3.5 billion was channelled towards recurrent expenditure (African Economic Outlook, 2017). That leaves very little room for capital expenditure yet among other deliverables ZimAsset wants infrastructure development which by its very nature is capital intensive.

As has been alluded to above, the Indigenization and Economic Empowerment Act (2008) has progressively scared away FDI. It would not make economic sense for investors to cede 51% of their investment to indigenous people in line with the dictates of the Indigenization and Economic Empowerment Act, 2008. Given that it is the foreigners that have the technical and financial resources, FDI can hardly be attracted to Zimbabwe. Additionally, the financial partner who should have majority shareholding would not be willing to invest in Zimbabwe as a minority shareholder. Due to such skewed policies such as the Indigenization and Economic Empowerment Act, FDI has not been coming to Zimbabwe in desired quantities. Evidence on the ground has shown that in fact FDI inflows into Zimbabwe have been on a downward trajectory since around 2003. Figures have shown that FDI in Zimbabwe declined from US$400 million in 2013 to US$372.6 million in 2014 (Schneidman, 2016). This has further worsened the country's liquidity situation yet one of the basic assumption for the success of ZimAsset is that there would be improved FDI and liquidity and access to credit by key sectors of the economy (ZimAsset: 28- 36).

Coupled with the above debilitating factors is the lack of ease of doing business in Zimbabwe. It has been observed that it takes a long time to establish a viable business venture in Zimbabwe as compared to regional counterparts in the SADC. Foreign investors do not accept bureaucratic bungling and red tape as this culminates in low foreign investment uptake and eventually pushes away potential investors. For example, where it takes a mere 19 days for foreign investors to conclude procedures for starting a business in South Africa, it takes about 90 days for foreign investors to know their fate regarding prospects of setting up a business in Zimbabwe (Schneidman, 2016). The then Vice President Mnangagwa noted this point in the following terms: "We need to be investor-friendly and not the current situations where investors take long periods to know their fate because of red tape". Red tape flies in the face of efforts to stimulate investment and employment creation in the country."[5]

Undercapitalization and lack of production by Zimbabwean large –scale farmers in the wake of the land reform exercise threatens to fly right in the face of one of the cardinal clusters of ZimAsset – food security and nutrition (*Human Rights Watch, 2015*). This is because agriculture is identified as one of the major pillars in the revival of the economy and is the anchor on which ZimAsset is hinged. Production and productivity on the farms which was supposed to be increased to achieve food security and stimulate linkages with other sectors of the economy has not been worth-coming.

ZimAsset intends to revive the '*bread basket'* of Southern Africa status of Zimbabwe and among other interventions this is supposed to be achieved through timeous availing of agricultural inputs at affordable prices, re-capacitating agricultural entities such as AgriBank, the Grain Marketing Board and Agricultural Rural Development Authority (ARDA) among other interventions (Africa Economic Outlook, 2016). Irrigation agriculture is to be emphasized alongside farm mechanization. While these are noble intentions, unfortunately very little of any of those has occurred on the ground. AgriBank, among other agricultural institutions, has not been recapitalized and from the commercial banks farmers could not get funding due to uncertainty regarding the bank ability of 99 year leases. More than 80 percent of farmers would deliver their 2015/16 grain to the GMB have not been paid for their produce due to liquidity challenges bedevilling the economy. Development of irrigation is still in its infancy such that irrigation agriculture has not developed a sufficient harvest for national needs.

While it also one of the focus areas of ZimAsset to create jobs, 4 years down the line, the envisaged hundreds of thousands jobs that should have been created as per the targets of ZimAsset have been lost. This is tantamount to de-industrialization. Additionally, the liquidity crunch and lack of fresh lines of credit does not augur well for one of ZimAsset's targets of creating millions of jobs by 2018. The events on the ground do not point to an increase in industrial capacity utilization pegged at 57 percent in 2011, 44 percent in the 3rd quarter of 2013 (ZimAsset: 19). The company closures and subsequent unemployment do not augur well for ZimAsset's objectives of increasing industrial capacity utilization and creating employment.

Value addition is one of the major pillars of ZimAsset. The policy is seized with the task of creating value to the country's mineral resources as well as beneficiation. In line with this focus, it envisages a diamond college and churning out of diamond experts by 2018. Unfortunately there are serious leakages in the mineral sector especially with regards to diamonds, gold and platinum (Human Rights Watch, 2008). Some of the losses are due to leakages at the hands of those who wield state power (African Economic Outlook, 2017). During the GNU era, the Finance Minister, Tendai Biti from the opposition MDC-T party was almost at loggerheads with ZANU PF parliamentarians when he boldly stated that there was coordinated large scale looting of diamonds, among other minerals, because revenue was to going to the national fiscus.[6] The same online publication quoted the ousted ZANU PF Secretary for Administration Didymus Mutasa alleging that some ruling party functionaries were involved in looting of diamonds. All this smacks of corruption and does not augur well for ZimAsset's objective of value-addition and beneficiation.[7]

Zimbabwe's debt overhang currently stands at a whooping US$12 billion against a shrinking GDP (Stiff, 2009). The International Monetary Fund (IMF) and World Bank forecasted growth of 2 percent for 2014 and half of that for 2015 (African Economic Outlook, 2017). The country has not been able to meet its external financial obligations for quite some time. That means it cannot access fresh lines of credit not just from the Breton Woods institutions but also from other international financiers because the latter take cues on whether to lend or not from the International Monetary Fund and World Bank. According to IMF data, GDP growth was forecast to be 3.1% by the end of 2014, a major decline from an average rate of 10% between 2009 and 2012, while government data showed that consumer prices declined for five consecutive months by the end of June.[8] Such a scenario is against the success of ZimAsset because this policy's success is premised on an ability to secure international lines of credit to stimulate economic activity in the country.

Pre-requisites for the Success of ZimAsset

It can be argued (and rightly so) that one of the major prerequisites for the success of ZimAsset is reformation of governance. The culture of impunity and lack of accountability on the part of the ruling elites and their associates have to be dealt with decisively. Currently the scenario is that there is little accountability and those suspected of corruption in high places rarely get seriously investigated. There are allegations of massive looting of a whooping US $15 billion worth of diamonds in Marange levelled against some of the top national leaders but nothing has come of it. The lack of commitment to bring those responsible for the 'disappearance' of the diamond earnings to book has not augured well with the generality of Zimbabweans who still, almost a decade later, are calling for the revival of the probe. Such impunity does not go well for the success of the ZimAsset economic blueprint. There has to be a major paradigm shift towards accountability and punishing transgressors if ZimAsset is to bear any fruit. Justice should not just be done but should also be seen to be done. Short of that developmental aspirations encapsulated in ZimAsset will remain a pipe dream.

To ensure the spirit of inclusion, there is need to leverage available resources especially the human resources. Youths form a very significant proportion of the population yet the majority of them like 80 percent of them are unemployed. There is need to advance loans to the youths so that they meaningfully contribute to economic development of the country. Earlier attempts to extend loans to the youths through the Youth Development Fund were halted after the default rate shot up to as high as 78 percent (Gasura, 2015). Whereas the normal default rate for loans is 5 percent the default rate for the Youth Development Fund (YDF) was very high because the loans were just disbursed without proper and serious capacity building programmes for the youths and on partisan lines. Thus there is need to capacitate this significant segment of the population so that it can contribute to economic development. They should be coalesced into groups especially graduates from Vocational Training Centres (VTCs) and given loans as seed capital to start up their enterprises.

Policy inconsistency has been one of the stumbling blocks to development in Zimbabwe. President Mugabe has been talking about the need to engage with the western development partners yet on the other hand he has been making statements that seemed to pour cold water on those calls for re-engagement. For instance, just after giving permits to some A1 farmers in Mhangura, President Mugabe said: "We say no to whites owning our land and they should go. They can own companies and apartments in our towns and cities but not the soil. It is ours and that message should ring loud and clear in Britain and the United States (US)."[9]

Such utterances present a picture of intolerance and also smack of a failure to protect property rights especially if the whites lose their land without following due process. This does not bode well with the desire to attract development assistance and lines of credit from the West (Bowler, 2013). It is therefore evident that what the country needs, if ZimAsset is to succeed is policy reform accompanied by policy consistency. For example, the policy that urgently needs reform is the Indigenization and Economic Empowerment Act if Zimbabwe is to attract investment.

Sanctions imposed on Zimbabwe by Western nations in 2002 have lived to haunt the country to this day. Being under isolation for Zimbabwe due to sanctions imposed upon the country by western nations has adversely impacted on the country's propensity to economic development. The economic stagnation of the period from 2002 has shown that Zimbabwe cannot go it alone, hence the need to harmonise relations with the international development partners and expeditious processing of investment applications cannot be over emphasized if Zimbabwe is to entertain any hopes of getting its economic policy to fruition (Chitiyo, 2016).

Attempts at Resuscitating the Economy through Infrastructural Development

During his State visit to China in 2016, President Mugabe clinched 9 mega investment deals running into billions of dollars with Chinese companies and government (Mujuru, 2016). However, most of these mega deals have been plagued by reports of overpricing on the part of the Chinese and corruption as well as the non-committal way that the Chinese have handled the deals. For instance, whereas Zambia paid only US$278 million for the expansion of Kariba North Power Station that added 360 megawatts (MW) to that country's state-owned power utility, the Zimbabwe Electricity Supply Corporation. Zimbabwe was required to fork out US$533 million for Sino Hydro to expand Kariba South Power Station which was expected to contribute 300 MW to the national grid (Chatham House, 2016). Zimbabwe would thus pay an additional US$255 than Zambia yet Lusaka is benefitting an additional 60 MW. In both instances the same Chinese company Sino-Hydro did the work. What is clear from those huge differences is that in part they could stem from differences in project design but more significantly they are attributable to Chinese's manipulation of

Zimbabwe's desperation for cash. Eyebrows have also been raised regarding Huawei Technology's dealings with telecommunications parastatal-Netone (Mujuru, 2016). There is a reported general trend that emerges where prices have always been inflated for Netone compared with other mobile phone operators. For example, for Access Microwave, Huawei charged Telecel Zimbabwe $7.000 per unit while Netone was charged $55.000 per similar unit, representing an increase of over 750 percent (Gasura, 2015). In such cases involving huge sums of money, corruption and collusion are difficult to rule out. In addition Chinese foreign policy, just like that of any other country, is driven by the desire for self-interest and that interest is to safeguard its own economic interests while maintaining cordial international relations.

Chitiyo (2016) has pointed out that in the first three months of 2015 there has been considerable evidence of the thawing of relations with the West, the traditional sources of development assistance to Zimbabwe but since ZIDERA in 2001 that assistance had dried up. Zimbabwe was accused of failing to uphold property rights, rule of law and general human rights, with reference having been made to the violent take - over of farms and firms belonging to whites at the turn of the current millennium. The country has hosted a number of business delegations from the West including from traditionally hostile countries such as the United Kingdom, Germany and France. The warming up of relations can be attributed to ZANU PF's victory in 2013 elections that were endorsed by a number of Observer missions such as SADC and the African Union although the opposition maintains that the elections were rigged (Assubuji, 2016). Despite the seeming thawing of relations between Zimbabwe and the West, most of these delegations have emphasized one thing – the country's indigenization and economic empowerment policy needs to be reformed. Its demand for 51 percent shareholding for indigenous people scares away investors.

The Ministry of Transport has done commendably well in infrastructural development initially by re-surfacing and broadening the major highway, namely the Plumtree-Harare-Mutare Highway. Plans are also afoot to re-do and widen the Beit-Harare-Chirundu Highway. This is fairly a step in the right direction although more needs to be done, given that most of the feeder roads to these highways are in a deplorable state. Another major highway, the Beitbridge-Harare-Chirundu highway needs urgent attention because it is the major gateway to the northern countries like Zambia, the Democratic Republic of Congo (DRC) and Tanzania. Currently the road is too narrow and cause for concern since fatal accidents are frequent on that road due to its poor state and that impedes trade with the Northern countries.

Prospects for the Success of ZimAsset

If the current economic situation in Zimbabwe is anything to go by, there is a flicker of hope for the fruition of ZimAsset. Recent developments in the agricultural sector in which Command Agriculture was introduced hold better prospects for the partial success of the ZimAsset economic blueprint. However the country has been bedevilled by cash shortages, a vital anchor for ZimAsset to bear fruit. For the ruling ZANU PF, time is running out given that they have to prove that people should retain them during the 2018 electoral contest. However, what begs the question is why ZANU PF decided to stretch the lifespan of ZimAsset to December 2018, when they know that elections would be conducted in October 2018. Maybe they are sure to 'win' the electoral contestation. Pressure is also mounting for ZANU PF to show that ZimAsset has been a success and that it is a party that is people-oriented, despite a plethora of outstanding electoral, constitutional and governance reforms that it has refused to implement, a move which has presented the party as a stubborn party that is intransigent to the welfare of citizens.

The opposition has also piled pressure on ZANU PF to delivery or cede power to a coalition, which if properly instituted, might translate to the defeat of ZANU PF and its numerous failed economic projects that have seen ordinary Zimbabweans riling under the yoke of poverty. If ZANU PF were to concede to electoral reforms, good governance and proper provision of the pre-requisites for ZimAsset, chances of success of the blueprint could have been high because it would have received support from citizens. But ZANU PF decided to take it up all alone, yet it is a party that should draw lessons from the 2008-2009 period when the economic dire straits were only rescued by the incorporation of opposition parties, notably the two MDC factions through a Government of National Unity (GNU). The lesson that ZANU PF should therefore draw is that economic resuscitation requires concerted effort by different political parties as what happened during the GNU period when the unprecedented economic woes were only rescued by the creation of an environment conducive to boosting of investor confidence. Now that ZANU PF is running against time, on the backdrop of political squabbling within the former liberation movement, there is so much on their plate for them to give more time to ZimAsset. Failure of the economy soon after excluding the MDC has shown that ZANU PF cannot go it alone when it comes to the economy of the country. This has been evidenced by the plethora of economic blueprints that have been experimented with since independence in 1980, with none of them having succeeded. Consequently, their image has been tainted as the party has presented itself as full of greedy and power-hungry people who are not interested in the welfare of the ordinary citizens.

The case of the 'disappearance' of the US$ 15 billion comes to mind as nobody has come up with a satisfactory answer as to the whereabouts of the diamond earnings which would have been enough to resuscitate the economy of the country overnight. That will count against them in the impending 2018 electoral contestation because basically, Zimbabweans are tired of situations caused by economic malaise. What immediately comes to mind for most people is the harrowing experiences of the 2008 economic meltdown and an unprecedented inflationary environment which presented itself as a case of failure on the part of ZANU PF and not sanctions as has been widely taunted by the ruling ZANU PF. As a result, most Zimbabweans have given credit to the MDC for the normalization of the economic situation during the GNU. It is therefore possible that most Zimbabweans cannot be hoodwinked by the ZimAsset project as something compelling them enough to vote for ZANU PF during the 2018 plebiscite. Subsequently, for the ordinary Zimbabwean, they just wish that the ZimAsset period comes to an end.

It is also my conviction that the recurrent economic challenges that Zimbabwe has encountered overtime requires a concerted effort of all stakeholders, notably opposition political parties, civil society, the business sector, among others. It remains to be seen whether the success of ZimAsset is a result of serious political will or is just a political and economic conjecture to economic development. It is also my conviction that the political elites have not taken efforts to resuscitate the economy through different economic interventionist policies seriously, given their indulgence in white collar crime and corrupt practices, all of which have further retarded economic development.

Conclusion

The article analysed Zimbabwe's current economic blueprint, the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZimASSET). The author provided an analysis of the backdrop to the crafting of this blueprint, its pillars or proposed methodology and unravelled some of the challenges likely to scuttle the success of this economic policy. It is my conviction that this economic policy is most likely to suffer from a stillbirth largely because of the policy inconsistency afflicting the state. While on one hand there is need to attract FDI and international development finance, on the other the current policies on land and economy in general like expropriation of land and indigenization which emphasizes 51 percent local ownership fly in the face of efforts to attract international finance. Policy discord and lack of funding are most likely to scuttle the success of ZimAsset. The country does not just have the capital to translate this blueprint into reality and what is urgently required is attraction of FDI and development assistance from the international community. Additionally ZimAsset lacks a clear development strategy on which to leverage this economic policy. The 9.9 percent economic growth rate envisioned to be achieved by 2018 remains highly improbable against a backdrop of shortage of foreign currency and liquidity crunch currently bedeviling the country. Additionally, there may be an expression of optimism on the success of the ZimAsset, but the demise of the agricultural sector, which had always formed the backbone of the country's economy, would live to haunt the Zimbabwean economy for some time to come. As such, the success of the seemingly impressive ZimAsset hangs in the balance.

Notes

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