

ECONOMIC STRUCTURAL ADJUSTMENT PROGRAMMES (ESAP) AND MULTI-PARTY POLITICS: A NEW THREAT TO AFRICAN NATIONALIST PARTIES IN ZAMBIA AND ZIMBABWE

MAHUKU, Darlington N<sup>1</sup>. and MBANJE, Bowden. B.C<sup>1</sup>.

<sup>1</sup>Bindura University of Science Education, Zimbabwe.

ABSTRACT

It is widely accepted that political considerations are crucial to understanding why African governments did or did not adopt and implement economic structural adjustment programmes (ESAP). Using Zambia and Zimbabwe as cases, the paper explores why the Zambian government under President Kenneth Kaunda and the Zimbabwean government under President Robert Mugabe abandoned International Monetary Fund/World Bank (IMF/WB) economic reform programmes shortly before the 1991 and 2000 elections respectively. The study is based mainly on qualitative research involving document analysis of books, journal articles and selected press reports. We argue in this paper that the abandonment of SAPs in both countries was as a result of the economic decline as well as the emergence of strong opposition parties and civil society groups which proved to be a major threat to African nationalist parties. We also point out that SAPS conditionalities indirectly acted as a catalyst to speed up the democratisation process thus greatly undermining nationalist goals. To survive politically, the nationalist parties in the two countries abandoned SAPs when they weighed the potential political risks of losing office.

*Keywords:* ESAP/SAPS, IMF/WB, Ruling Elites, Civil Society, Zambia, Zimbabwe.

*JEL Classification:* G15, H30, H81

1. INTRODUCTION

The 1980s and 1990s are widely acknowledged as years of IMF/WB spearheaded economic reform programmes in Sub-Saharan Africa (SSA). This was a response to the external shocks of plummeting prices of oil in the late 1970s and the second oil crisis of 1980/81 which had ripple effects on the economies of Sub-Saharan African countries. It resulted in the adoption and implementation of the Bretton Woods policy prescriptions on the African scene. Paradoxically, political and economic development was linked to SAPS.<sup>1</sup> Pro-democracy movements being propelled by the prevailing global political economy became an IMF and WB

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<sup>1</sup> Alence R, "The Politics of Economic Adjustment in Post-Colonial Ghana," p. 185.

way of dispensing aid as a reward for multi-parties and 'better governance.' Multi-partyism was seen as a way of challenging the one party system which had been enjoyed by most of the incumbents in Southern Africa. ESAP helped to open up political space for a new group of political aspirants in the labour movements as well as in the academic circles and civil society.

Opposition to SAPS in SSA has been widespread. This has been because these adjustment programmes caused deep despair because of their negative aspects in the social relations and structures of the economic regulating countries. Dependencistas view SAPS as continued neo-imperialism. However in most countries there is also a lack of political will and commitment in implementing economic reforms by the ruling elite. What is interesting is that in the 21<sup>st</sup> Century many governments in SSA have continued to adopt and implement SAPS, wavering and picking up one ideology after another. Arguably political considerations are very crucial in understanding why African governments do or do not adopt and implement SAPS. Many countries like Ghana, Nigeria, Kenya, Benin and others, have at one point or another adopted, abandoned and readopted IMF/WB economic reform programmes after encountering fierce opposition from some politicians, bureaucrats, workers and the general populace. Apparently SAPS have had a long history of being discarded in SSA hence it might seem not unusual that they were also abandoned in Zambia and Zimbabwe.

Kerokou's regime in Benin adopted SAPS and this ignited fierce opposition from the workers. His government was ousted from power and replaced by a multi-party government in 1990. It is a paradox that the new regime paid the large salary arrears owed to civil servants by biting the IMF/WB sword that is adopting SAPS involving abolition of price controls and downsizing state employees' inter-alia.<sup>2</sup> The basis of enquiry in this paper, is why presidents, Kenneth Kaunda of Zambia and Robert Mugabe of Zimbabwe adopted SAPS only to abandon them when elections were at hand.

Hellman, using evidence from Eastern Europe, observed that impediments to sustainable institutional reforms appear to be the initial reform winners. These are groups that will benefit from the immediate liberalisation rather than the anticipated losers.<sup>3</sup> Studies based on Latin American experiences also suggest that governments implementing SAPS have been able to implement them through election campaigns and have been able to maintain political support.<sup>4</sup> George Ayittey posits that politics of adjustment is embedded in IMF/WB policy prescriptions that are not the right policies for economic adjusting countries in SSA. He goes on to argue that Africa's continued linkage with their former colonizers is detrimental. The Bretton Woods institutions and the former colonising countries, through economic policies like SAPS, kill infant industries in the developing countries, eroding benefits brought about by independence. This is aggravated by the imposed 'economic straight jacket', the "one size fits all" model that is considered the panacea of all ailing economies. Politics is all about maintaining power and any threat to that power is met with stiff resistance. Arguably when reform policies become a threat to political office bearers, they abandon them.

One school of thought argues that economic and political disintegration in post-colonial Africa is a manifestation that Africa was not colonised enough. Implementation or abandonment of SAPS is a result of lack of democratic economic and political accountability on the part of the ruling elite. According to Alex Dreher, in democratic countries, interruption of economic reform programmes before elections is less severe. He observes that programme interruptions are more likely in countries with government consumption, high levels of short term debt and low GDP per-capita at programme initiation. Thomas Callaghy observes that the ruling elite in

<sup>2</sup> Walton J and Seddon D, *Free Markets and Food Riots, the Parties of Global Adjustment*, p. 140.

<sup>3</sup> For further reading see, Hellman, 1998, Schamis, 1999 and Burgess, 1999.

<sup>4</sup> Ibid.

Africa jealously guard their policymaking autonomy against external directives.<sup>5</sup> The post-colonial ailment of state cronyism has therefore impinged on the adoption and implementation of sound economic policies.

The purpose of this paper is to analyse whether macro-economic policies are manipulated by the ruling elite for political survival. The assumption is that politicians want to be in office for their own advantage thus maximising their independence in decision making. We further employ the political economy approach to explain the change in attitude of the state as an economic agent. Arguably it no longer works to the advantage of public interest in maximizing social welfare as politicians, bureaucrats and individual actors in the political process, each act to serve his or her own interests<sup>6</sup>. The ruling elite does all it can to remain in power as exemplified by Mobutu Sese Seko, Daniel Arap Moi, Ibrahim Babangida, Hosni Mubarak and others. This clearly undermines David Easton's systems analysis where a variety of actors (interest groups, political parties, civil society groups and individuals etc.) take part in governance issues. Most African elites have taken a Hobbesian view of governance where government decisions only come from the top (sovereign).

Using the international political approach we assume that, the Zambian and Zimbabwean ruling elite abandoned SAPS in an effort to prop up their own political interests. Hans Morgenthau, a realist scholar has propounded that national interest comes first before collective interest. African ruling elites have always preferred the former. The aura in which decisions are made is driven by the political self-serving interests of leading figures in government. The political economy approach provides the leverage to analyse critically the arguments propounded by Presidents Kaunda and Mugabe in justifying why they abandoned IMF/WB led stabilisation programmes. The paper theoretically and empirically probes the theories of the politics of economic policy making in Zambia and Zimbabwe. It attempts to give an insight into why policy changes in Zambia and Zimbabwe took place shortly before elections. It further tries to explain whether the two leaders were being sincere by refusing the IMF/WB 'economic stabilisation dosage' when they realised the socio-economic effects of SAPS on the workers and the general populace. The paper also analyses the role that was played by the 'fear' of the electoral outcomes as well as the emergence of strong opposition parties with strong civil society backgrounds catalysing the abandonment of SAPS in Zambia and Zimbabwe.

The proposed argument is that, abandonment of SAPS is embedded in political survival. Political scientists acknowledge that those who wield power will always come up with contingency plans for their own survival especially if their power is under threat. While socio-economic effects of SAPS, like the retrenchment of workers and the lack of safety nets to cushion the poor are genuine, these weaknesses are used by the ruling elites to manipulate the masses into believing that their poverty is mainly caused by Western prescribed adjustments thus furthering their continual hold on to power. Arguably being in office for most African ruling elites is a way for wealth accumulation hence; it has a bearing on abandonment of SAPS when weighed against the risk of losing office. In both Zambia and Zimbabwe there was an imminent political threat posed by the new opposition parties and civil society groups. Leaders whose power is under threat always weigh the costs and benefits of embarking on a certain programme or policy. If the costs outweigh the benefits then such a programme is abandoned as to maintain the status quo. In this case the degree of opposition coming from civil society

<sup>5</sup> Callaghy, T. (1998). in J. Nelson (ed.), *Economic crisis of policy choice: the politics of adjustment in the Third World*, Princeton: Princeton printers, p 260.

<sup>6</sup> Killick, T. (1990). *A Reaction too far: Economic theory and the role of the State in developing countries*, London: Overseas Development Institute, p 14.

groups cannot be taken for granted and mainly accounts for why Presidents Kaunda and Mugabe had to discontinue SAPS shortly before elections. It is therefore imperative to analyse the implications of the Bretton Woods institutions' conditionalities on multi-party democracy in relation to political change in Zambia and Zimbabwe.

Zambia and Zimbabwe had thriving economies at independence. Zambia was the 3<sup>rd</sup> richest nation in SSA in 1972 but by 1996 it had fallen to the 25<sup>th</sup> position.<sup>7</sup> On the other hand Zimbabwe in 1980 was the 2<sup>nd</sup> most industrially developed country in SSA, trailing its southern African neighbour, South Africa. Paradoxically, both the Zambian and Zimbabwean economies tragically shrunk. President Kaunda and Mugabe strongly contend that the socio-economic and political crises that gripped their countries were not as a result of their own policy failures. They allotted the blame on the IMF/WB, institutions which they regarded as "imperialist agents." They gave credence to the externalist argument that after the attainment of political independence, Africa has continued to be marginalised and it continues to suffer. Notably the negative effects of SAPS are multi-fold. It is therefore logical to give a brief overview of the IMF/WB conditionalities which were used in stabilising weak economies in SSA. According to Claude Ake:

The unique feature of African SAPS is their rigorous austerity: outright ban on some essential commodities, even where no local substitutes exists, precipitate rollback of subsidies; massive privatisation usually associated with a steep rise in prices and unemployment; massive devaluation and phenomenal inflation; steep cut in government expenditure, often disastrous for the social sector.<sup>8</sup>

It does not delude the eye therefore; to see the negative effects of these 'draconian SAPS' in post-colonial African countries. The following section traces how Zambia and Zimbabwe adopted SAPS and the political and economic effects that these IMF/WB economic stabilisation programmes had in the two countries.

## 2. METHOD AND MATERIALS

The study is based mainly on qualitative research involving document analysis of books, journal articles and selected press reports.

## 3. DISCUSSIONS

### 3.1 ZAMBIA

The deterioration of the Zambian economy was two-fold. Firstly it was triggered by the rise of oil prices in the late 1970s. This was exacerbated by the second oil crisis of 1980/81 and the decline of the copper prices on the world market. According to Sam Kongwa the Zambian economy went on a downward spiral characterised by increased borrowing from private banks resulting in hyperinflation as there was a severe decline in real income.<sup>9</sup> According to a 1981 report of the International Labour Organisation, from 1974 to 1980, the Zambian real GDP per head fell by 50%, an unsought and unenviable record by international standards.<sup>10</sup> As the economic crisis mounted, President Kenneth Kaunda had to find ways to stabilise the economy.

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<sup>7</sup>For more information on the externalist argument see Ayittey, *Africa Betrayed*; 1992.

<sup>8</sup> Ake, C. (2000). *The Feasibility of Democracy in Africa*, Great Britain: Antony Rowe , p. 85.

<sup>9</sup>Ibid, p. 56.

<sup>10</sup>Callaghy, T. op. cit. p. 268.

In 1984 he turned to the IMF/WB. However negotiations collapsed and it was only in 1985 that a breakthrough was made. Callaghy noted it was the IMF/WB that was pushing this reform programme because the Zambians lacked the technical know-how of implementing this economic reform programme.<sup>11</sup> Ake observed that, Kenneth Kaunda in a bid to try and give the reform package some 'ownership' called it the Radical Reform Programme.<sup>12</sup>

### 3.1.1 ZAMBIA RADICAL REFORM PROGRAMME

The name given to the reform package did not matter, acceptance of loans from the IMF/WB entailed acceptance of strings of adjustment policies that came with it. It was a watered-down programme that came with legendary ills of currency devaluation, withdrawal of support in health and education services. The Zambian civil service was reduced by 25%, bank interest rates were decontrolled and a foreign exchange auction was created. Removal of price controls caused an escalation in the prices of commodities that went beyond reach of the workers and ordinary people. Prices of more than fifty commodities were decontrolled and amongst these were fertilisers and mealie-meal; Zambia's staple food. The Zambian government had continued to subsidise the lower grade maize meal and had raised the consumer prices of high quality mealie-meal by 120%. In response, millers increased the production of the decontrolled mealie-meal, covering shortages of the lowly priced lower grade maize-meal. The effects of the RRP adjustment policies were immediate and unbearable. It ignited severe rioting and public unrest and fifteen people were killed.

Though the outbursts in Lusaka were not very serious, President Kaunda was shaken and decided to do away with the IMF/WB prescriptions for the sake of political survival. He discarded the RRP and simultaneously labelled private millers "capitalists and exploiters." Severing ties with the IMF/WB proved very popular and noble. On the 12<sup>th</sup> of May 1987, Zambians on the Copper-belt, party activists, went on a rampage, looting goods and forcing traders to reduce prices now that the IMF/WB sponsored RRP had been abolished.<sup>13</sup> Kaunda reintroduced price controls, abolished the foreign currency auction and resurrected the import licencing system of allocating foreign exchange. Bates and Collier noted that Kaunda's decision to abandon the RRP was because of the negative consequences of the reform programme. President Kenneth Kaunda in his national address retorted:

We are witnessing a situation where our social fabric is slowly disintegrating.....sowing the seeds of unrest and undermining the spirit of unity of the nation. It is patently clear that far from improving our condition, we are not succeeding hence the need for a fresh look. The party and the government have therefore decided to reverse the negative impact of the system with which such honesty of purpose, sincerity and determination, we chose the way of the IMF of our own free will. Then again of our own free will, we have decided to try another way.<sup>14</sup>

Kenneth Kaunda reshuffled his cabinet and replaced, Mwanashiku, Phiri and Mulaisho who had believed that the RRP was the only way to stabilise the Zambian economy, with radical

<sup>11</sup> Ake, C. op. cit. p. 57.

<sup>12</sup> Callaghy, T. op. cit. p. 268.

<sup>13</sup> Ibid.

<sup>14</sup> Bates, R. and Collier, P. (2000). "The Leadership Factor in African Policy Reform and Growth," *Discussion Paper* No. 29, (January), p. 298.

anti-imperialist critics of the IMF/WB programmes who had all along been opposed to this line of thinking. In came Leonard Chivuro as governor of the bank of Zambia, Basil Kabwe as finance minister and James Mapoma as the statehouse economic advisor. Callaghy suggests that replacing pro-IMF/WB supporters with its adherent critics would expose them to actual realities and in the end garner support for the economic stabilisation programme.<sup>15</sup> Kaunda thought wrong, Chivuro and Kabwe worked against these reforms. They were adamant that it was impossible to build a bridge to socialism being financed by capitalist institutions like the IMF/WB.

President Kaunda realised that the economic crisis was continuing unabated and reluctantly turned to the Bretton Woods institutions for assistance. He embarked on an economic reform dubbed “growth with our resources.” Teachers, nurses and postal employees embarked on a series of demonstrations. These demonstrations indirectly marked the beginning of an opposition to one party rule. Unrest increased but Kaunda hung on and dispatched a delegation to Washington. The delegation was to be advised on how to ‘successfully’ implement an economic reform programme. Chivuro was not part of the delegation and it was then that in the absence of his colleagues he managed to influence Kaunda into abandoning the reform programme. Kaunda was ‘hoodwinked’ into believing that it was crucial to win the 1988 elections. He plausibly argued that losing the elections would be an embarrassment to Kaunda and UNIP. Kaunda realised that his popularity was ebbing as a result of the negative effects of the economic reform programme. He abandoned the programme and allowed the unlawful seizure of Asian businesses in February 1988.<sup>16</sup> The greater part of 1988 was therefore devoted to consolidating the position of the UNIP old guard. One Zambian analyst pointed out that Kaunda would go back to the “terrible twins” after the elections.

Kenneth Kaunda won the October 1988 elections unopposed. Aware of the negative effects of the unlawful seizure of Asian businesses, he returned them to their owners. He announced a number of measures that if fully implemented, could be transformed into a “shadow” economic reform in preparation for a renewed agreement with the IMF/WB. Kaunda devalued the kwacha by 20% and announced a much smaller cabinet in a bid to reduce public spending, reduce debt and ultimately embark on limited privatisation.<sup>17</sup> It can also be argued that the price of copper had gone down on the world market and Kaunda had no option but to turn to the Bretton Woods institutions for financial assistance. The Zambian economy continued to deteriorate and the socio-economic effects of these reforms on the populace were unbearable. Kaunda’s efforts to be bankrolled by the IMF/WB opened a ‘pandora box.’ The IMF/WB called for further reforms before any money could be released.<sup>18</sup> In typical Thucydidean fashion the Zambian government had to give in to IMF/WB demands since the strong will always do what they want and the weak will always comply. Kaunda had to agree to end his one party rule in Zambia. Structural adjustment programmes had actually indirectly succeeded in bringing about political change to Zambia’s political landscape. This change would clearly take form in the 1990s. During the 1980s there had emerged a distinct link between the country’s economic link and the government’s political survival. Opposition groups in the form of civil society comprising labour unions, university students, teachers, lecturers, lawyers and many other groups became more vocal and political as will be discussed later in this paper. It is now rational to discuss how Zimbabwe adopted the IMF/WB economic stabilisation programme.

<sup>15</sup> Callaghy, T. op. cit. p. 289.

<sup>16</sup> Ibid.

<sup>17</sup> For more information on Kenneth Kaunda’s belief in “economic reforms” see Sam Kongwa’s; “Zambia Beyond the One Party State” in Benjamin L & Gregory, C. (1992). (eds), *Southern Africa at the Crossroads*.

<sup>18</sup> Kees van Donge, J. (1995). “Zambia: Kaunda and Chiluba-Enduring Patterns of Political Culture,” in Wiseman J.A (ed.), *Democracy and Political Change in Sub-Saharan Africa*, London: Routledge, p. 198.

### 3.2 ZIMBABWE

Zimbabwe inherited a vibrant economy. ‘Mwalimu’ Julius Nyerere, former president of Tanzania advised Mugabe after the independence inaugural ceremony, “this is the jewel in Africa. Don’t tarnish it.”<sup>19</sup>Zimbabwe made a commendable start accompanied by strong social progress in fields such as education and health sectors inter-alia. The literacy rate increased immensely and life expectancy increased tremendously. In the late 1990s the economy began to shrink.<sup>20</sup>This can be attributed in part to bad politics which ignited economic decline, misery and capital flight. Zimbabwe followed the economic trajectory of African countries in SSA. The government’s inexperience in administrative issues coupled with poor management of the economy led to a rising tide of poverty and hardships amidst the ‘independence euphoria and honeymoon that took long to end.’

Arguably when the ZANU PF led government turned to the IMF and WB, the Zimbabwean economy was not at the brink of collapse. Some economic as well as political analysts have actually argued that had the Zimbabwean government not embarked on structural adjustment prescriptions its economy would have been better off because it still had life in it though there were signs of it losing its vibrancy. President Mugabe and his ‘economic lieutenants’, Bernard Chidzero, Tichaendepi Masaya (two Western educated economic technocrats) and Kumbirai Kangai to mention a few, unreservedly accepted the IMF/WB sponsored programmes dangled in front of them like a carrot as a means of consolidating economic reforms favourable to Western interests. The government faced with the quandary of failing to fully execute its pre-independence promises turned to the international financial institutions despite its inherent contradictions to Western capitalism. Prescriptions that had been administered on Zambia were the same ones for Zimbabwe; the one-size-fits all ‘IMF and WB syndrome.’

In a bid to stop opposition to its economic stabilisation programme, the government passed two pieces of legislation; the University of Zimbabwe Amendment Act, 1991 and the Labour relations Amendment Bill, 1992. These legislations were meant to stop mass protests by both workers and student movements against the imposition of ESAP.<sup>21</sup>The reason behind these enactments was that the legislations would insulate the government against mass protests and at the same time immobilise the Zimbabwe Congress of Trade Unions (ZiCTU).<sup>22</sup>The socio-economic problems faced by the workers and the general populace were aggravated by the Z\$ 50 thousand gratuities given to war veterans against the backdrop of not having been budgeted for. The whole amount came to about Z\$2, 5 billion. Patrick Bond and Masimba Manyanya observe that the Zimbabwean economy was exacerbated by the DRC venture. Simba Makoni, the then minister of finance advised parliamentarians to call for an immediate withdrawal of the Zimbabwean soldiers from DRC. He argued that the DRC venture was not sustainable as Zimbabwe was using more than \$1 million a day in the war effort.<sup>23</sup>The IMF/WB in turn asked President/ Mugabe how he would continue to finance the DRC war and he maintained that there would be cuts from other budget sectors implying health and education sectors.<sup>24</sup>University of Zimbabwe Students and the workers demonstrated against this and the negative effects of SAPS

<sup>19</sup>Copson, R. (2001). “Zimbabwe: Current Issues,” (25<sup>th</sup> April), p. 2.

<sup>20</sup>Ibid.

<sup>21</sup>Kagoro, B. (2003). “Zimbabwe’s Turmoil: Problems and Prospects,” *African Security Analysis Programme*, (17<sup>th</sup> June), p. 7.

<sup>22</sup> Here we abbreviate it as Zi.CTU so that it will not be confused with the Zambian Congress of Trade Union which is also referred to as the ZCTU.

<sup>23</sup>Bond, P. and Manyanya, M. (2003). *Zimbabwe’s Plunge: Exhausted Nationalism, Neoliberalism and the Search for Social Justice*, South Africa: University of Natal Press, p. 205.

<sup>24</sup>Ibid.

that were already biting. They were ruthlessly suppressed by the police. SAPS had in a way, indirectly opened the political arena in Zimbabwean politics which had been dominated by ZANU PF and ZAPU politicians. Morgan Tsvangirai, the then Secretary General of the ZiCTU was severely assaulted by ‘unknown’ attackers for allegedly masterminding the demonstrations but in a way the labour movement and other civil society groups had succeeded in challenging the status quo. Kagoro opines that the ZANU PF government had naively believed that it had incapacitated the ZiCTU by the early 1990 legislations and therefore mistakenly viewed it as a spent force. They came to the realisation that the Union was determined to take the government to task. Economically, just like in Zambia, the adjustment programmes had wreaked havoc on all aspects of social life and politically these programmes through their democratic prescriptions on good governance and democracy had actually brought in new actors on the political landscape.

Many teachers, nurses and workers who were affiliates to the ZiCTU embarked on ‘job-stay-aways’ protesting against the rising cost of living and inflation. According to Ihonvbere, no African population has been inert when faced with deteriorating standards of living<sup>25</sup>The government responded by arresting the alleged ring leaders. Workers continued to demonstrate against this continued heavy handedness by the government and they demanded for the release of the detained ZiCTU leaders. This marked a turning point in Zimbabwean politics as civil society groups just like in Zambia began to challenge the dominance of ZANU PF on the political scene. This paradigm shift of ZANU PF’s dominance in Zimbabwean politics was necessitated by ESAP’s political prescriptions on good governance. Alence has observed that by the 1990s, economic and political development was part and parcel of SAPS with emphasis being tied to questions of good governance and political liberalisation.<sup>26</sup> Walton and Seddon also noted that the growth of civic societies provided a solid base for resisting unpopular state policies. These inevitably became the incubators of new opposition parties. It did not take long before the ZANU PF government and the IMF/WB came to a head on collision.

In 1999 the IMF/WB did not release the standby credit available to Zimbabwe. The government was told to first lower tariffs imposed on the importation of luxury goods in 1998, it also had to clearly tabulate when it would remove price controls imposed on some goods. Capitalism is wholly premised or founded on profit making and the Zimbabwean government actually had the right to protect consumers from unjustified price increases. These draconian demands infuriated President Mugabe and he refused to decontrol the prices of commodities. The Zimbabwean government was also requested by the IMF/WB to give access to classified Democratic Republic of Congo (DRC) war information. Despite resenting that its sovereignty was being compromised, information was given. However President Mugabe refused to decontrol prices of commodities. The ZANU PF government was also reluctant to give away its stake in public enterprises.

The IMF/WB refused to release the US\$ 200 million it had promised. As Zimbabwe moved towards the 2000 parliamentary elections, President Robert Mugabe while addressing a rally was recorded saying, “... the IMF/WB policy of doing away with prices of commodities is utter nonsense.”<sup>27</sup> This was viewed by some analysts as efforts by ZANU PF to lure support from the urban workers who had run street battles with the riot police against the ever increasing prices of commodities and run-away inflation. However some political analysts have supported the stance taken by the Zimbabwean leadership arguing that those who are in power also have a duty of protecting citizens from unjustified price increases. President Mugabe plausibly argued

<sup>25</sup>Ihonvbere, (2000). “The State, Constitutionalism and Democratization,” [http://www. India-seminar.com/2000](http://www.India-seminar.com/2000)

<sup>26</sup>Alence, R. op. cit, p. 85.

<sup>27</sup> Bond, P. and Manyanya, M. op. cit, p.205



that it was because of the IMF/WB policies that poverty had increased as real wages fell drastically.

It is now reasonable to discuss how the Zambian Congress of Trade Unions took advantage of the economic decline caused by SAPS as well as the existing conducive political environment transforming itself into a full-fledged opposition party that eventually won the 1991 elections in Zambia. Developments in Zambia later on had a bearing on what was to happen in Zimbabwe in 1999.

#### 4. TRADE UNIONISM AND MULTI-PARTY DEMOCRACY IN ZAMBIA

As has already been mentioned earlier on in the paper, economic reforms in Zambia were very unpopular. Resistance towards SAPS came from all quarters, including workers, civil society, indigenous businessmen who resented competition and politicians in and outside the UNIP government. The situation had been severely worsened by the fact that Zambia only turned to the IMF/WB for assistance when it was already seriously bankrupt. With about 50 % of the Zambian population residing in the urban areas, there was fierce resistance to SAPS from urban consumers. Workers interests were supported and protected by a strong and vocal association, the ZCTU led by Fredrick Chiluba. Callaghy suggests that all groups that were against SAPS believed that “the benefits of the reform would go to external actors and resident foreigners, white farmers, Greeks and Asians.”<sup>28</sup> Contrary to perceived opposition to SAPS by various civil society groups these adjustments actually indirectly opened up political space for the democratisation process in Zambia.

Despite experiencing stiff opposition for economic reform, in 1990 President Kenneth Kaunda embarked on another stabilisation programme. Against the prevailing political logic, he arguably had a strong conviction that economic reforms were the way forward in an effort to stabilise and revive the Zambian economy. Ake observes that it was at this time that Kaunda realised that his political legitimacy was withering away.<sup>29</sup> His government’s ineffectiveness and confusion was exposed. Opposition became more pointedly political. The consequences of an ever ballooning bureaucracy became evident and proved costly for the country. Zambia’s developmental goals were being sacrificed at the altar of political expedience and new IMF/WB conditions were designed to bring under control corrupt and inefficient state mechanisms.<sup>30</sup> Zambia’s ruling elite had to be accountable. Students and human rights activists who were ‘championing’ the democratisation agenda called for an end to Kenneth Kaunda’s one party system. Real political change was now sweeping across Zambia’s political landscape as these civil society groups were now calling for multi-partyism.

Riots broke out, and Kaunda an avowed one party disciple tried to ignore the demands. He opined that he would be able to contain the democracy movement by embarking on piecemeal reforms and this he thought would tone down the pressure. The IMF/WB demanded that he go beyond “token gestures to more substantial reform.”<sup>31</sup> Pressure was very strong that in May 1990 Kenneth Kaunda succumbed and agreed to bring to an end his one party rule. He had something up his sleeve and this was an attempt to co-opt democracy to his own political advantage. Ake plausibly noted that “...the decisive factor was the emergence of a formidable opposition political movement, the Movement for Multi-party Democracy which allied with the powerful ZCTU.”<sup>32</sup>

<sup>28</sup> Callaghy, T. op. cit, p. 293.

<sup>29</sup> Ake, C. op. cit, p.57.

<sup>30</sup> Ibid.

<sup>31</sup> Ibid.

<sup>32</sup> Ibid.

#### 4.1 BIRTH OF THE MOVEMENT FOR MULTI-PARTY DEMOCRACY (MMD)

The MMD came into existence at a meeting held at Lusaka's garden hotel in May 1990. Arthur Wina, the ex-minister of finance in Kaunda's independence cabinet was chosen as the leader. His deputy was Vernon Mwaanga; Kaunda's former foreign Affairs minister.<sup>33</sup> The party was made up of some notable UNIP politicians like Humfrey Mulemba, professionals, economists, lawyers, students and others. Political analysts have noted that for an opposition party to win an election, it has to co-opt political 'heavy-weights' from the ruling party into its structures. The MMD registered as a political party in January 1991. Though Chiluba had not been present at the launch of the MMD he was increasingly popular. This was because he had refused to be co-opted by Kaunda, was a plain folk, not an intellectual and had risen in the trade union movement through the grassroots. At an MMD convention he emerged winner against political heavy-weights, Arthur Wina, Humfrey Mulemba and Edward Shamwani.<sup>34</sup> He had shrewdly picked up the view that politicians maintain "politics of disorder to maintain the means needed to sustain neo-patrimonialism and political domination."<sup>35</sup>

Amidst Kaunda's inconsistencies, Chiluba was already hammering the last nails on an almost ready 'UNIP government coffin.' Addressing a rally he argued, "A government enters into power by making promises to look after its people. Once in power it reneges on these, the people begin to question the legitimacy of it continuing."<sup>36</sup> Kaunda lost credibility in the eyes of Zambian people. His party's failure to pursue sound economic policies, his inconsistencies and attempt to co-opt the opposition proved disastrous. Chiluba characterised UNIP as a party that did not have the people at heart and therefore had to be removed first. Taking advantage of the continuing economic decline and the IMF/WB refusal to release funds, Chiluba consistently argued that Kaunda was responsible for Zambia's economic crisis. A link between governmental incompetence, patronage system and economic hardship was established and became politically most noticeable.

Chiluba diplomatically minimised the broader responsibility of the Bretton Woods institutions and at the same time criticized UNIP's incompetence and corrupt leadership. He kept demonising Kaunda and UNIP and soon university students joined the bandwagon and called for Kaunda's political exit while others clamoured for his castration. A young man in Lusaka interviewed by a journalist was of the opinion that anyone could do better than Kaunda. He argued that given Kaunda's long stay in power and making an assessment of the economic changes happening in Africa at that time, Kenneth Kaunda should have realised that shunning or implementing half-hearted economic reforms was not sustainable.<sup>37</sup> Because of his and his subordinate's inordinate desire not to lose office, political logic always carried the day at the expense of economic growth and development.

The MMD proved to be a very strong opposition with unanimous support from the workers. Kaunda's anticipation that he would diplomatically co-opt, weaken and destroy the opposition was a fiasco. He participated in the 1991 elections and lost. UNIP only got 25 of the 150 parliamentary seats. The MMD became the ruling party with Chiluba as the new Zambian president. According to D.F. Gordon interestingly enough when Chiluba became president, it was a matter of simply changing regalia because there was no dramatic shift on economic

<sup>33</sup> Callaghy, T. op. cit, p. 293.

<sup>34</sup> Gordon, D.F. (1993). "Debt, Conditionality and Reform: The International Relations of Economic Restructuring in Sub-Saharan Africa," in Callaghy T.M and Ravenhill J, (eds.), pp91-127.

<sup>35</sup> For more information on the politics of disorder for political survival see Chabal and Daloz; 1999.

<sup>36</sup> Callaghy, T. in J. Nelson, op. cit., p. 294.

<sup>37</sup> Ibid, p. 293.

policies.<sup>38</sup>Gordon observes that “while in opposition the MMD had criticised UNIP left, right and centre and yet when they were in power they started instituting reforms that went far deeper than any thought of by Kenneth Kaunda’s former regime.”<sup>39</sup>Notably the eco-political events in Zambia were not taking place in a vacuum. Trade union movements in Southern Africa were watching, especially in Zimbabwe. The belief that nationalist and liberation movement parties were invincible had been dispelled. Not only could they be challenged but they could even be dislodged through the ballot as was the case of Kenneth Kaunda and UNIP in Zambia. It is now logical to trace and analyse the activities of the Zimbabwe Congress of Trade Union and the rise of the Movement for Democratic Change.

## 5. TRADE UNIONISM AND MULTI-PARTY DEMOCRACY IN ZIMBABWE

In 1987 a unity accord was signed between Joshua Nkomo’s ZAPU and Robert Mugabe’s ZANU PF. Amini Kamete observed that after 1987, “opposition parties came and went leaving ZANU PF unscathed.”<sup>40</sup>ZANU PF considered urban Zimbabwe as its powerhouse but as already been noted, the introduction of SAPS changed this line of thinking. Nonetheless the 1991 and 1992 legislations, cited earlier on in the paper, were viewed by the government as ‘sufficient barricades’ towards any agitation against SAPS by the urban population.

However the trade union movement aroused a patriotic consciousness among workers and challenged government economic policies. The ZiCTU was now aware of the consequences of running street battles with the police. It introduced a new strategy; that of passive resistance- ‘job-stay-aways.’ This strategy was more effective as a lot of economic damage was done when workers did not report to work. The government in turn raided the homes of the ZiCTU leaders and arrested them. Its heavy-handedness raised Tsvangirai’s social standing. Just as the same nationalist leaders were hustled out of their homes to jail during the Smith era for demanding acknowledgment of their rights so was with Tsvangirai. He became a ‘martyr’ in the eyes of (civil society), the workers, students and academics.<sup>41</sup>The labour movement and civil society groups were shaking the power base of the ruling elite. Several consultations on whether a new political party should be formed were made at grassroots level by the ZiCTU and the NCA. The MDC became a political party in September 1999. Political analysts have pointed out that the formation of the MDC was not nationalist oriented but was a brain child of the Westminster Foundation comprising Britain’s three main political parties, namely, the Conservatives, Labour and Liberal Democrats. This has in a way affected its credibility amongst most of the Zimbabwean rural populace.

The first blow to the ZANU PF party and government happened in February 2000. The newly formed MDC and in partnership with the NCA successfully campaigned against a proposed ZANU PF constitution. A majority of the Zimbabwean urban populace had a strong conviction that now that a ZANU PF authored constitution had been rejected at the polls, it was possible that the ZANU PF party and government could be dislodged from power. According to the Helen Suzman Foundation public opinion poll, the Zimbabwean majority opined that the ZANU PF government was responsible for the hardships they were experiencing. After the “NO!” vote to the constitution, parliamentary elections were held. The elections were fiercely contested and the urban population showed their disgruntlement with the ZANU PF government by voting for the MDC. The seven months old MDC won 57 of the contested 120 parliamentary seats. The ZANU PF ‘gurus’ realised that they had lost popularity.

<sup>38</sup> Gordon, D.F. op. cit, pp. 91-127.

<sup>39</sup> Ibid.

<sup>40</sup> Kamete, A.Y. (2003). “The Rebels Within: Urban Zimbabwe in the Post-Election Period,” p. 30.

<sup>41</sup> Elick, G. (2002). “Zimbabwe under siege,” *Sunday Times*, (8<sup>th</sup> September), p. 1

To win the 2002 presidential elections they had to work very hard to revive their support. It blamed the IMF/WB, the MDC, white commercial farmers, Britain and the USA for the deepening economic crisis. Political analysts note that the IMF/WB had withdrawn its funding in 2000 due to outstanding arrears; the USA also came up with the Zimbabwe Democracy and Recovery Act on Zimbabwe over its land reform programme. It was a punitive measure aimed at whipping Zimbabwe into adhering to the dictates of USA and Britain. The European Union imposed economic sanctions over Zimbabwe's alleged human rights violations. The white commercial farmers had openly funded the opposition MDC party. The Zimbabwean government regarded this as an 'axis of evil' bent on furthering neo-colonialism. The international financial institutions further demanded that the land redistribution programme be transparent, with adequate compensation being paid to white commercial farmers.

As the 2002 presidential elections loomed, in October 2001, the government severed ties with the IMF and WB. President Mugabe declared on one of his rallies, "...enough is enough, ESAP is no more, the termination of ESAP brings to an end an era of control over our economy by the IMF/WB, this monstrous creature is now out of the way."<sup>42</sup> Ali Mazrui and Okello correctly observed that the IMF/WB had forced (President) Mugabe into a corner so that he would lose the election. Social frustrations and dislocations had been engineered to cost the ruling party in both the rural and urban areas.<sup>43</sup> President Mugabe sanctioned the continuation of land invasions and categorically stated that the government did not have money to compensate the white farmers whose land was taken by the people. He stated that it was up to the British government to avail money that would be used to compensate white farmers, supporters of the MDC. The presidential elections were tightly contested and President Mugabe won the election.<sup>44</sup>

Having traced and discussed the response of trade union movements and civil society groups to SAPS and the emergence of strong opposition parties in both Zambia and Zimbabwe the remainder of this paper critically analyses the political and socio-economic impact of the reform measures.

Though some might argue that some countries have carried out reforms even during election campaigning times this is synonymous to shooting oneself in the foot. Ake erroneously argued that opposition to SAPS in Africa is misunderstood by the international community. He purports that it was directed not against the *raison d'être* of SAPS, but against a political leadership which could no longer inspire any assurance in its ability to make things better.<sup>45</sup> Analysts like Joan Nelson et-al contend that during times of strong economic performance and during times of economic stagnation, conflict over conditionality has always been there.<sup>46</sup> Both presidents, Kaunda and Mugabe blamed the IMF/WB for being responsible for the deterioration of their countries' economies; undeniably there is a grain of truth in this. It is true that the IMF/WB policies had adverse effects on the workers and the general populace in the two countries. Various studies have also depicted the weakness of the donor community's response to the socio-economic needs of the reform process. The IMF/WB "cookie-cutter or one-size-fits-all economic syndrome has had disastrous effects justifying intense opposition to reforms as people are unaware of its benefits. Kaunda openly lamented that the IMF/WB and their policies were like a bad doctor who prescribes the same medicine to different ailments.

<sup>42</sup> This was part of a speech delivered by President Robert Mugabe while addressing a rally in October 2001.

<sup>43</sup> Mazrui, A. and Okello, O. "The Zimbabwe Elections, Western Bacteriological Genocide and Abuja," <http://www.today.ntilda.co.uk/mfe171.html>, p. 1.

<sup>44</sup> There are allegations that the elections were rigged

<sup>45</sup> Ake, C. op. cit., p. 57.

<sup>46</sup> Nelson, J. (1979). *Power Politics and the Urban Poor in Developing Nations*, Princeton: University of Princeton, p. 141.

According to Larry Benjamin et.al, the IMF/WB loans undermined the legitimacy of African regimes which had to defend their position on the need to embark on an economic stabilisation programme. John Smith Ikpuk notes that the flavour of the adjustment programme like a python saps the masses to death while others die of overfeeding.<sup>47</sup>The IMF/WB prescriptions become a double edged sword that ravages the general populace and at the same time igniting political conflict. Naomi Chazan points out that in Africa as elsewhere, it may be tempting for leaders with populist inclinations, facing the prospect of electoral defeat, to take the easy path and sacrifice long term economic welfare for short term political gains.<sup>48</sup>The IMF personnel have argued that the fund should not be blamed for the negative effects of their support programmes. The overall objective of the IMF is to set the stage for sound and sustained rates of economic growth by improving the balance of payments and bringing inflationary pressures under control.<sup>49</sup> However, as stated earlier on in this paper, the IMF/WB have borne little successes in SSA.

President Mugabe emphatically labelled the IMF/WB, imperialist and neo-colonialist agents bent on thwarting African economic sovereignty. SAPS caused deep despondency as downsizing of the civil service and the removal of subsidies in social services was at odds with anti-colonial promises made during the struggle against colonialism in both Zambia and Zimbabwe. Prior to independence masses in both countries were promised free education and health facilities etc. for their support in the wars of liberation as well as their nationalistic resistance to colonial rule. It is in this context that Presidents Kaunda and Mugabe felt they were being forced into a corner and they therefore decided to part ways with the IMF/WB.

Alence contends that in as much as electoral cycles influence economic policymaking, African governments come up with strategies to reduce severe trade induced social tensions. This partly explains why the two leaders tendentially introduced price controls to cushion consumers against the negative effects of IMF/WB policies. Coupled with this was the fact that there was inadequate and late funding by the IMF/WB for the sustainability of adjustment programmes. According to a WB report, inadequate funding was responsible for policy reversal in Zambia. West observed that for Zambia the situation was aggravated by the fact that it was already bankrupt even before its adoption of SAPS in 1985. In Zimbabwe, the IMF/WB's reluctance to disburse the standby credit led to policy abandonment in 2001.

Seremekun correctly observes that "the real problem facing Africans is that they have their problems defined for them from outside."<sup>50</sup>In both countries the abandonment of SAPS may be ascribed to some members of the ruling elite who did not want to lose political office. SAPS received unanimous disapproval from such key officials. Their opposition was influenced by the socio-economic negative effects of SAPS on the workers and masses. Cabinet ministers like Leonard Chivuro worked against economic programmes and purported to support Kenneth Kaunda's philosophy of "humanism." Callaghy notes that "senior cabinet and party figures feared a social backlash, bureaucrats and managers were worried about job security and power prestige."<sup>51</sup>Even the international financial institutions were not able to interfere and salvage the

<sup>47</sup> Ikpuk, J.K. (1995). *Militarisation of Politics and Neo-colonialism: The Nigerian Experience 1966-90*, London: Janus Publishing Company, p. 17.

<sup>48</sup> Chazan, N. Mutimer R, Ravenhill J and Rothchild, D. (1992). *Policy and Society in Contemporary Africa, 2<sup>nd</sup> Edition*, Bolder: Lynne Rienner, p. 316.

<sup>49</sup> This appeared in the Africa Alternative Framework to Structural Adjustment Programmes for Socio-Economic Recovery and Transformation (AAF-SAF) *United Nations Economic Commission for Africa*, Addis Ababa, (April 1989), p. 37.

<sup>50</sup> Seremekun, O. quoted in Ikpuk J.S, *Militarisation of Politics and Neo-Colonialism: The Nigerian Experience 1966-1990*, London: Janus Publishing Company, p. 19.

<sup>51</sup> Callaghy, T. op. cit., p. 297.

SAPS to continue. The political elite believed that the economic crisis was temporary and it would not be long before copper prices boomed. Arguably this was naïve since it was not the Zambian ruling elite who would determine the world copper prices. Evidence is abounding that technocratic influence in Zambia led to abandonment of SAPS. Political logic prevailed and Kaunda was made to see and believe that his political grip on power was being eroded because of the SAPS; he joined the bandwagon and abandoned SAPS for political survival.

In Zimbabwe politicians like Jonathan Moyo, Herbert Murerwa, Joseph Made and Nathan Shamuyarira were against the neo-liberal path of development. Jonathan Moyo argued that the abandonment of SAPS did not have anything to do with the 2002 presidential elections, he posits that ZANU PF had realised that ESAP rendered the strength of the government weak. SAPS were against the ZANU PF conviction of a people driven economic reform programme embedded in socialism. He craftily referred to ESAP as “a ghost that terrorised people for no reason.”<sup>52</sup> He viewed SAPS as ‘TINA’ meaning, there is no alternative. He argued that ZANU PF as a party had found an alternative to ESAP and that is a people-centred economic reform solely fixed on land redistribution. Other ZANU PF technocrats like Simba Makoni, the then finance minister was regarded as ‘weak-kneed’ when President Robert Mugabe decided to restructure his cabinet to come up with what he referred to as a “war cabinet.” Makoni resigned because of frustration. Nathan Shamuyarira, former minister of industry and commerce alleged that he was grateful ESAP had failed and had been discarded. He maintained that when he was in government he worked against ESAP and was always pressing for the development of ‘home grown reform programmes.’ President Mugabe allegedly worked his strategy ‘brilliantly, battling against colonial injustices’ perpetrated by the IMF/WB in the name of economic stabilisation. Moyo defending government position argued that:

ZANU PF has always wanted to implement socialism but faced Western opposition. Now we are implementing socialism not as a sloganeering tool but as a powerful fundamental economic weapon to address our problems....socialism will empower the people economically, giving them what has been denied them under the IMF/WB sponsored economic reforms: land. The engine was run by foreigners and racists who do not believe in the independence of a country. The IMF/WB engaged us on lopsided and unacceptable terms. What we are looking for is the people first and the IMF/WB does not offer this.<sup>53</sup>

Okello argues that (President Mugabe) by being a pan-Africanist aroused the West and IMF/WB’s desire to rout him out of power through electoral politics and economic warfare. Zimbabwe’s path ran counter to Western efforts to integrate the economies of SSA in the interests of Western Capital. The IMF/WB was therefore a constituent in a broad Western effort to discipline Zimbabwe and force it to a neo-liberal economic model in which the interests of the Western capital would have dominance over the needs of its people.<sup>54</sup> Contrary to what Okello says, John Makumbe suggests that abandonment of SAPS in Zimbabwe depicted that “the government had run out of ideas for the resolution of the many economic, social and political problems that confronted the ZANU PF government.”<sup>55</sup> However, empirical evidence

<sup>52</sup> Bond, P. and Manyanya, M. op. cit, p. 205.

<sup>53</sup> Ibid, p. 203.

<sup>54</sup> Okello, O. op. cit., p. 1.

<sup>55</sup> Makumbe, J. (2003). “ZANU-PF in Transition,” *ISS Paper*, (17<sup>th</sup> June), p. 16

abounds that SAPS actually wracked havoc on most SSA economies. President Mugabe and his ZANU PF led government discarded their Marxist policies in the 1990s and eagerly embraced international capitalism, and threw the progressive policies they had pursued out through the window.

Some Zimbabwean liberal analysts like Erick Block, Eddie Cross and others have argued that the land redistribution exercise was used as a political tool to garner support from the rural and urban masses. They further argue that President Mugabe and his ZANU PF government had in the late 1980s and 1990s shown little interest in land redistribution for the benefit of the Zimbabwean general populace. It is also alleged that the Zimbabwean majority had rejected forceful land seizures as depicted in the “NO” vote to the authored 2002 ‘ZANU PF’ draft constitution. However as a matter of fact it can be argued that the ‘NO’ vote was attributed to misinformation and falsehoods peddled by the MDC and NCA on the contents of the draft constitution. The fear that they played on was on the land clause as well as the presidential clause that would have disqualified the opposition leader Morgan Tsvangirai from participating in an election. The late University of Zimbabwe Law lecturer Kempton Makamure actually lamented that Zimbabweans had denied themselves one of the best constitutions.

The remainder of the paper briefly analyses how the democratisation wave and the emergence of strong opposition parties were ‘catalytic’ in the abandonment of SAPS in Zambia and Zimbabwe. The democratisation wave was propelled by international financial institutions to promote good political and economic governance in return for aid in the 1990s. Kenneth Kaunda and UNIP and ZANU PF in Zimbabwe as disciples of ‘one’ party systems arguably viewed democratisation with suspicion. Ake suggested that often the vehement opposition to SAPS in Africa which is much misunderstood by the international community, was directed not against the rationale of SAPS but against a political leadership which could not inspire any confidence in its ability to make things better.<sup>56</sup> Making things better as Ake suggests depends heavily on a country’s manufacturing base, agricultural and mining sectors, tourism industry, transport and communication network and many other factors. At independence, African leaders inherited colonial economies which were only meant to serve or sustain a minority group of whites. On the other hand, most of Africa’s exports are in raw form with minimum to no value addition. With such economies it therefore remains an uphill task for most leaders to satisfy the demands of the masses. Alence accordingly notes that “severe external shocks aggravate problems in African domestic economies, these difficulties quickly spill into the realm of national politics.”<sup>57</sup> The decisive moment in both Zambia and Zimbabwe was when formidable opposition movements which were partly and wholly funded by the West, that is, the MMD under Chiluba and the MDC under Tsvangirai came into existence.

In both countries civil society groups, the workers, academics and the general populace regarded opposition leaders as the ‘black Moses’, whom they looked up to for ‘deliverance’ from the existing socio-economic and political crises. For the first time since attainment of independence, UNIP and ZANU PF’s legitimacy was strongly challenged. The situation was worsened by the IMF/WB’s refusal to release funds, 1991 in Zambia and 2001 in Zimbabwe. Politics became a zero-sum game; it was not conceivable for the ruling elite to lose office. Both leaders realised that their political jobs ‘were’ being sacrificed on the ‘IMF/WB financial altar’ and they in turn begun demonising these international financial institutions. Arguably the abandonment of SAPS was the last card played by both leaders to maintain and remain in power. Kaunda lost the 1991 elections while President Mugabe won the 2002 presidential election, though widely viewed by critics of the ZANU PF government as a stolen victory.

<sup>56</sup> Ake, C. op. cit. p. 59

<sup>57</sup> Ibid

## 6. CONCLUSION AND RECOMMENDATIONS

The main purpose of this paper has been to explain the abandonment of SAPS in the context of post-colonial political economy especially when elections were looming. It has been argued in this paper that abandonment of SAPS in Zambia and Zimbabwe was because of the ruling elite's desire to remain in power as well as to alleviate the suffering of the masses. It cannot be denied that IMF/WB conditionality and policy changes affected the economic interests and political standing of groups inside and outside government. Workers and beneficiaries in government perceived themselves losers and reacted to that loss. Public servants resisted retrenchments and wage freezes, politicians resisted the dismantling of state enterprises anchored in patronage, whilst import competing industries loathed competition and opposed trade liberalisation.

It was because both governments had not insulated their people against the negative effects of IMF/WB SAPS that opposition parties emerged. The appearance of these opposition parties and civil society groups caught both leaders off guard. The opposition parties attracted a large following and this had never been experienced in both Zambia and Zimbabwe. The ruling elite's power base was weakened by the international financial institutions' refusal to give out money at such crucial times as to ease the socio-economic mayhem being experienced by the workers and the general populace. The IMF/WB action was therefore seen as an effort to remove them out of power in favour of the newly formed opposition parties. Abandoning SAPS was the only way to recreate their popularity. In Zambia abandonment of SAPS did not pay any dividend and Kaunda lost power to Frederick Chiluba and the MMD got the majority of seats in parliament.

In Zimbabwe, President Mugabe was fully aware of what had happened to Kenneth Kaunda in 1991. Politics became a zero-sum game; it was unconceivable for the MDC to win the 2002 presidential election. The President concluded that he was not going to experience the 'Kaunda fate' of falling from 'grace to disgrace.' He discarded SAPS and labelled international financial institutions imperialist agents interested in effecting regime change and bent on recolonizing Zimbabwe. This 'resonates' with the majority of the rural Zimbabweans and Mugabe narrowly won the 2002 presidential election. As indicated above, abandonment of SAPS in Zambia and Zimbabwe was because of the perceived election outcomes as well as the emergence of strong opposition parties that commanded a strong civil society and labour following. What is interesting is that the new opposition parties that came into existence are arguably weak and are enmeshed with governance problems of their own. The results of Zambia's recent presidential election marks a significant historical moment for the country, and the SADC region at large. What is interesting is that for the first time since the establishment of electoral democracy in 1991, the MMD was defeated. Its candidate president Rupiya Banda lost the election to the Patriotic Front (PF)'s 74-year old leader Michael Sata. This electoral transition though not entirely smooth and accompanied by isolated incidents of violence is an indicator of a new phase of maturity for this country in Southern Africa. Sata, whose pseudo name is King Cobra, had lost the last three elections by a narrow margin; in 2008 to Banda and in 2001 and 2006 to President Levy Mwanawasa. The 2011 Zambian election heralded a paradigm shift in Southern African politics as it greatly challenged the continuation of the neoliberal "democracy project" and "reform" agenda which had reached its peak within the SADC region during the heydays of Tony Blair and George W. Bush (as British Prime Minister and US President respectively.)

The Zambian people lost faith in the MMD because they failed to deliver as the Zambian electorate had envisaged. The MMD in a bid to attract money from foreign investors embarked on a western sponsored liberalisation and privatisation exercise. These policies wreaked havoc on the common men and women in Zambia who had unanimously voted Kaunda



out of power. The privatisation of the Zambian mines resulted in unemployment as workers were retrenched. The reduction of wages and shrinking revenue flows of money that passed through the formal and informal economies of the copper belt and Lusaka made life of urbanites unbearable. The urban workers and dwellers in Zambia became more strongly opposed to the MMD privatisation exercise and regarded the MMD party as having shattered their aspirations. This resulted in the revival of nationalist politics which saw a Western blow-back against neoliberal “reforms” and against neoliberal capitalism in particular. This blow-back is also evidenced by the “Occupy Wall Street” movement which spread to many cities in Europe and America which had as one of its grievances the outcry that neoliberal democracy really meant: “Democracy of the one percent, for the one percent, by the one percent”. The neo-liberal project in Zambia failed to address the economic grievances of the impoverished Zambian masses and this led to the dismal defeat of the MMD in the 2011 elections. The election results also challenge the entire foundation of the MDC’s democratisation agenda in Zimbabwe especially when most Western citizens are calling for reforms within the capitalist system.

The neoliberal reforms had actually derailed Zambia from the Pan-Africanist and nationalist path charted by the liberation movements of the region. Zambia’s moves have taken place in a context where the entire Western hemisphere is also struggling to survive the effects of neoliberal reform; while in South Africa the young people led by the Youth League of the African National Congress are also questioning the South African version of neoliberalism, and affirming the African nationalist and Pan-Africanist path which requires South Africa to embark on African land reclamation and the nationalisation and indigenisation of mineral resources as is advocated for by the revolutionary Zanu-PF party in Zimbabwe. As noted in the study, the establishment of these Euro-centric institutions can only be achieved through sponsoring Western controlled opposition political parties. This is the greatest threat to African nationalist oriented liberation parties in Africa as evidenced by Zambia in the 1990s and in Zimbabwe from 2000 onwards. It has also been noted that the Western groups have been funding anti-ZANU PF/nationalist or liberation movement groups in Zimbabwe through NGOs that pretend to be working for civil liberties, human rights or democracy promotion. Below are recommendations from this study which might help in remedying some of the shortcomings of neo-liberal opposition parties and the revolutionary parties so that the general populace benefit from the policies that they undertake as a way of poverty reduction.

Development assistance should not supplant local capacity, undermine local knowledge and institutions and render recipient countries more vulnerable and dependent on foreign aid. The IMF/WB programmes should be resulting from the aid recipient’s development priorities and should not be an expression of an attitude by these institutions that they know better, they lecture and recipients listen, they know and recipient countries learn. An assistance that undermines a recipient’s capacity and sense of ownership of policies and programmes cannot support sustainable growth. It perpetuates dependence. The IMF/WB should not side with opposition parties in removing seasoned nationalist politicians from power as evidenced in the Zambian case above, the new breed of neo-liberal politicians has shown a lot of inexperience and inconsistencies, incompetence and above all they have mismanaged the economies that they have inherited from nationalist governments.

In Zimbabwe allegations of corruption in local government institutions under the MDC are rampant. It is then advisable that the IMF and WB assist nationalist leaders in the democratisation process just as they are doing in Spain, Greece and Portugal. Removing seasoned political administrators from office will result in disfunctionality of government institutions and stagnation of development. From the study it has been shown that parastatals should not be privatised since they are the only entities that help cushion the poor in terms of transport costs, access to cheap clean water, staple food prices and employment. These entities help to bridge the gap between the poor and the rich as they offer affordable goods and services

to the majority of citizens. It is also the duty and responsibility of every government through parastatals to provide a reasonable standard of living to its citizens. Multiparty-ism is health for any political system as it gives an opportunity for various political parties to participate in the running of the state. Democracy is a process and in each process there are likely to be positive and negative aspects. The Zimbabwean leadership as well as the Zambian leadership should broaden the participation of ordinary people in government processes by strengthening institutions like parliament, local authorities, trade unions, the justice system and the media.

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