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**Master's Thesis of Public Administration**

**Public Policy Implementation in Zimbabwe and  
Economic Development:  
Insight of Indigenization Economic Empowerment Policy - IEEP  
2008-2021**

**짐바브웨의 공공 정책 이행과 경제 개발:  
토착화 경제 역량 강화 정책 IEEP 의 통찰력 2008-2021**

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# **1. 1.0 CHAPTER 1**

## **1.1 Introduction and background**

### **1.2 Introduction**

The Indigenization Economic Empowerment Policy of Zimbabwe is regarded as part of Third Chimurenga where the local indigenization people were to be empowered to have control over economic activities, (Anderson, 2010). The IEEP encompasses the land reform program which the former President Robert Mugabe claimed misappropriation of land to white minority in the colonial era (backing date to 1896) to be restored with ground point to empower indigenous people who are rightful owners without compensation which is based on the ideology of empowerment, (Chowa, 2013). The agenda was based on the fact that the mineral resources and land itself belong to the people of Zimbabwe rather than foreign owned companies which were accused of leaving cities in ghost form with mineral depleted and land degraded suppressing ordinary Zimbabweans economically. The IEEP is designed to protect communities while engaging them through empowerment to economic activities as well as utilizing maximum value of natural resources to benefit ordinary Zimbabweans socially and economically, (Murombo, 2010).

Facing directly to the public policy of Indigenization Economic Empowerment Policy – (IEEP) in Zimbabwe gazette an Act (referred as Policy) on 7 March 2008 and enacted into Law 17 April 2008 whose effects continue to impact citizens while continuously used as electoral campaign's manifesto throughout past and present. The Law ascribe to make every company which is foreign-owned in Zimbabwe cede 51% of shares to be awarded to stakeholder as assigned by government to indigenous Zimbabweans. The companies targeted comprise those that have share capital of USD500 000 operating in Zimbabwe. Resulting in critics and diverse opinion to the policy, it became effective on 29 June 2010. The proclamation of 51% ceding concussed the operations of foreign owned companies and economy activities in Zimbabwe while the national economy sloped negatively to present. The Zimbabwe Government ruling party, Zimbabwe African National Union- Patriotic Front (ZANU PF) view of empowerment is the greatest attainment in the course of occupying businesses that are foreign-owned, captured so as to give advantage to indigenous blacks. Be that as it may, the Act Chapter 14 of Parliament of Zimbabwe (2008), then articulates indigenization to mean ....., a deliberate involvement of indigenous

Zimbabweans in the economic activities. In other words, the benefit is to precisely involve and improve the role played by previously marginalized groups in the mainstream economy while correcting imbalances in resource ownership. Presently, ordinary Zimbabweans, marginalized groups and majority groan of failure to gain access for ensuring the equitable ownership of the nation's resource. In its course of effect, the Indigenization Economic Empowerment Policy has proven to be a very controversial policy both externally (internationally) and internally (home). The policy in Zimbabwe context is conversely understood to be much more complex than the majority previously anticipated. There is no doubt that Zimbabwe has severe challenges in implementing policies and programmes as evidenced in its inability to ensure civil participation and poor policy change management, (Ajulor, 2015). (Ibrahim et al.2017) argue that policy is only a good plan stored in the archive if it is not implemented correctly".

The study will dwell on the discourse referencing the Fast track land Reform program – (FTLRP) and the mining sector while using legislative frameworks as assessment guide whose factor is obstructing the implementation of IEEP. In the overall evaluation some possible solutions for refurbishing the IEEP and refining the scheme/agenda in Zimbabwe will be placed as propositions. This first chapter will acquaint the above-mentioned topic in the following structure, that is the research problem statement, the background, the rationale of research, methodology, questions of research which will direct the research.

### **1.3 Background and history of Indigenization Economic Empowerment in Zimbabwe**

It is undeniably vivid and true that Europeans using colonialism altered the continent's history irreversibly. This was done through denial of the existence of Africa in the name of discovering Africa while dominating by bringing technology, innovation as well as infringement to the local language use and cultural abolishment. In existence, colonialism is defined as the use of extreme domination, while oppressing, subjection and exploitation, (Horvath, 1972). Such movements by colonizers were for the benefit and important through exploitation of humans, physicality as well as looting economic resources for their countries of origin, (Hrituleac, 2011). The colonialist, mainly focusing on Europeans in Africa, scrambled for division of land while crafting and declaring policies, laws and legislation that bare weight in favoring

them and their actions to property rights in foreign land. By use of security forces and secret service the colonialist triumphed in depriving the blacks from repellant against discrimination and colonialism, (Alemazung, 2010). The models of administration and political systems from colonizers came into full use and implementation while using them to acquire land and property rights. Being that hard-pressed, colonizers manage to keep economic prices low, agricultural production extremely commercialized while export to Europe became profitable, (Toyin 2005). In commercializing the agrarian sector, it demanded cheap sustainable labor hence, colonialists forcefully got it through bullying and coercive measures such as getting unwilling Africans at gunpoint or inflicting subdued pain to push inhabitants from their village homes to mines and farms. Thus, the availability of exploited cheap labor which resulted in increased production. In doing so the land increased value through cost reduction in production, (Alemazung, 2010). Overall, the land appropriation by the community in its minority state resulted in taking over the black people settlement land making landless ultimately increasing the population of black Zimbabwe to look for jobs in white man's mines as well as farms. The movement by colonialism (Simensen, 1999) rendered blacks ultimately landless, disempowered socially and economically, disenfranchised, powerless, second-class citizens while the white community became rich and richer economically and more powerful politically while exploiting resources to the individual and origin countries benefit.

Pre-Colonial politics (before whites came) were there in Zimbabwe between the Limpopo and Zambezi whose contestation was between ethnic groups to control resources, (Kamidza, 2009). Tribal wars and civil wars were fought to control resource information of mines, hunting territories, land etc. which the Shona (Zimbabwe) and Ndebele (South Africa) were main rivals. Being that happen the gross imbalance, inequalities, monopoly, racial discrimination were enforced and inflicted on both tribals by the white colonialists in the year 1896, (Mazingi et. al, 2009). By use of gimmicks Cecil John Rhodes through Charles Rudd who was his business associate manage to convince King of the Ndebele tribe 'Lobegula' tricked to sign a concession of (1880) that completely give land, mines, natural resources found in Zimbabwe to the white minority, (Moyo, 1986). The treaty signed changed the dynamics of territory conflict authoritatively.

The advancement by the white community through arrival of the Pioneer Column that comprise of the Rhodes British South Africa Company and his white South Africa Police in the Fort Victoria (September 1890) known as Masvingo today manifested as the launch of racial dispute between the Black indigenous communities and the white settlers in Southern Africa. Though the Blacks fought for their territory with resistance, lack of technological weapons caused the defeat of two wars 1893 and 1896 whose white settlers established themselves. The final modern push for independence rose again in the year 1966 to 1979 which led to independence in 1980 thus 90 years to break political imbalances. However, economically no independence happened as the land, resources and economic activities remained in the white settler control.

It is against this background that the Indigenization Economic Empowerment Policy (IEEP) in Zimbabwe came into existence as justified to correct the Economic inequalities and Economic emancipation of the black people, (Kasunungure, 2012). Thus, the IEEP Policy also, is not Zimbabwe policy alone, but all regional countries' agenda whose motive is to reconstruct former colonies strategies in addressing the Racially and Economically racial policies, (Wilson 1990). To this magnitude the Indigenization Economic Empowerment is conceptualized as;

*.....the intensification of local contribution in or ownership of their resources, land appropriation rights or establishment of business entities, [and] one of the most popular measures of economically empowering the previously disadvantaged, (Wilson ,1990).*

The indigenous ownership of resources consisted of the following; transfer of foreign companies shares to indigenous black people, surrounding social and economic activities with local people, (Korbin, 1985). The main objective of Indigenization Economic Empowerment Policy is to Eliminate Poverty and promote Socio-Economic Development in the 20<sup>th</sup> century world by local people, (Mawowa, 2007).

Zimbabwe then as the bread basket of Africa and its economy based on Agriculture, the imbalances and inequalities redress was targeted on land. Thus, aggressively and without hesitation the government

went on to embark on a Land Reform Programme known as (Fast Track Land Reform Programme - FTLRP) to decongest the communal lands while growing collectively black farmers in commercial farming lands, (Mazingi and Kamidza, 2009). The preceding Land Reform Programmes between 1980 and 1999 failed leading to the introduction of the FTLRP in the year 2000 led by War veterans, local traditional leaders, ruling party ZANU PF militia and juntas who seized and invaded the white owned farms. This was followed by government movement support by army and police targeting mainly white owned farms for acquisition apart from church farms and those for indigenous black people. (Pazvakavambwa, 2012), put forward that, at the end of 2005 all farms including those which were under Bilateral Protection Agreement were up under the seizure of redistribution. The fundamental facet of Zimbabwe Indigenization Economic Empowerment Policy of 2008 was to mandate all foreign-owned companies' operating within borders of Zimbabwe to remit/cede 51 percent of shares to indigenous Zimbabweans arrange through partnerships with business people, worked share trusts and community share trusts, (IEEP, 2008).

#### **1.4 Justification and validation of the Zimbabwe Indigenization Economic Empowerment Policy**

The posture Government of Zimbabwe took rationale for the Indigenization Economic Empowerment Policy guided by the poor situations traced to colonialism caused by the imbalances and injustice slanted to racial developments to the majority of Zimbabweans. The underprivileged right to resources control amongst the indigenous people were the hindrances to economic emancipation causing social and economic deprivation discrepancy, (Chowa, 2013). The state prescribed objective of Indigenization Economic Empowerment Policy ought to ensure the indigenous black people utilize and own resources that is, land, mines, minerals and expand the territorial Zimbabwe economy base. Furthermore, (Matunhu, 2012), alludes that the policy targets Zimbabwe residents of rural areas catapulted towards infrastructure development, small to medium enterprise, entrepreneurships, improvement of Socio-economic status, living standards, mines ownership as well as academic standards and accessibility.



The act of Zimbabwe Indigenization Economic Empowerment Act (2008) defines ‘indigenous Zimbabwean’ as anyone who before 18 April 1980 independence was subject to unfair discrimination apparently in Zimbabwe on grounds of race including their descendants of such person. The characterization centers on status of underprivileged, racial discrimination pertaining to colonial era. Furthermore, the Act of 2008, elaborated Indigenization Economic Empowerment as decisive attempt to involve indigenous people in economic development activities which prior had no/denied access, thus guarantee equitable ownership of the Zimbabweans’ abundant resources

It is the government’s claim that Indigenization Economic Empowerment is essentially the ‘True Zimbabwe an independence’ were control and utilization of resources are controlled by Zimbabweans, (Ministry of Youth, Indigenization, 2013). This happens when local people participate in the Economy as Shareholders and employees. The policy aims to stop aid dependence currently prevalent in Zimbabwe while becoming an ambitious nation, thriving economy and vibrant society. IEE allows workers to become strategic partners hence, have power to economic strategic decisions, thus equipped through education and training to level with the task. Subsequently, give bridge to patriotic commitment and national pride (Murombo, 2010). If the goal is achieved reasonably, (Magure, 2012) the country Zimbabwe economy will withstand its growth while eradicating poverty, realizing 2030 vision as well as eliminating the socio-economic challenges of the 20th century.

## **1.5 Objectives of Indigenization Economic Empowerment Policy in Zimbabwe**

The envisioned purposes of the Indigenization Economic Empowerment Policy are;

- i. Eradication of poverty
- ii. Creation of employment and wealth
- iii. Expansion of domestic market

Through these ‘State intended Goals’ the national government utilize the following to attain purpose by:

- Increase the emancipation of indigenous people in activities of national economy by

economically empowering them through redressing equity distribution of productive assets endowed in the country.

- Generating a conducive environment that allow those previously resources underprivileged indigenous Zimbabwe to fully participate in socio-economic development of the country
- Emerging a private sector that is vibrant and have dynamic and diverse for Economic development and growth
- Liberalization of fair proprietorship of productive asset/resources that is the IEEP of 2008, overallly.

## **1.6 Challenges and problems that are associated to the of IEEP programmes**

The likeliness of unfavorable business and economic environments scare away essential and potential investors. Those undesirable impressions that affect Foreign Direct Investment have also a negative impact to the country's economic growth and employment creation thus low Gross Domestic Production, (Magure, 2010). It is the attitude and investment protection frameworks the government creates that make a country a destination for investors. The environment which is hampered by lack of financial stability, multi-basket currency at present is a great threat to achieve goals and objectives intended by IEEP as well as the political interference and instability, (Thouvenot, 2020). Following the 51% ceding the foreign investor failed to partake the contracts of IEEP in protest to being the minority shareholder while inaccessibility of property rights on their investments. Principles on 'indigenization' in its name may be understood as discrimination as it has conflict-ridden implications which become a setback. Though the IEEP gives the previously underprivileged groups the empowerment it also neglects other groups within the same society regarded as previously advantaged, thus indigenous itself is problematic. This position has the fumble of exposing extensive patronage networks and political elite maneuvering allowing loopholes of economic disorders.

In all factual and fundamentals, the influence of IEEP programmes has a clear cut on Zimbabwe's

economic and political space. The political aspect comes in the correction of colonial imbalances and injustice while economic objectives harness the local community and its potential to emancipate in the Economic Growth, (Matunhu, 2012). It is in the scholarly deliberations, researches, governments papers whether the IEEP has adequate and satisfactory mechanisms to deliver sustainable socio-economic participation for the existing and future generations, (Magure, 2010). The factual comparison from procedures and process undertaken in the implementation of the IEEP, emphasized mainly based on Land Reform, employee schemes/trusts and community share ownership schemes/trusts as a way of promoting and benefiting majority hence, leaving a big loophole towards attaining sustainable growth and nation economic empowerment, (Sibanda, 2013). Generating the comprehension from motives and goals of the IEEP, the posture and move by Government to force implement foreign owned companies to comply with the 51/49 percent ratio in other sectors may be seen as a political strategy rather than an economic program with a purpose to empower ordinary indigenous Zimbabwean people, (Murombo 2019).

## **1.7 The problem statement**

The Indigenization Economic Empowerment Policy (IEEP) in Zimbabwe is negatively thought and criticized by ordinary people that it was deliberated to be an ideology of enriching politicians from the ruling party, loyalist and routinely logged as entryism strategy from the ruling party's ZANU PF. The Government constantly uses it to manipulate use of the country's resources for personal, elite individuals benefits while diverting from the intended assurance of empowering indigenous people to emancipation of economic activities. The implementation of IEEP was/is done haphazardly, a disorderly system which saw the senior army officials, senior politician, war veteran and party loyalist allocated the expropriated land, (Mawowa, 2010). The central argument to the policy is that it departed from the original 'State Intended Goals' of empowering with resources the previously underprivileged indigenous people to rewarding the elite and loyalists of the ruling ZANU PF. Due to the subsequent falling production in the agricultural sector; realized after the Fast Track Land Reform Programme the government refocused attention to the mining sector where the Government compelled all foreign owned companies using IEEP to transfer majority shares of 51% to ordinary Zimbabweans. Be that as it may, arguments hover and transpire that

only those politically related and connected were privileged and positioned to acquire the shares from foreign owned businesses in the name of IEEP. It is wholly contended by critics that the IEEP was designed and implemented to permit elite and loyalist loot countries resources and use incentive as patronage to mobilizing majority in making ZANU PF retain power at the expense of struggling majority and failure of economic growth. It is within the civilian's mind and action proclamations that the IEEP is used continuously for expropriation of unfair practices, acts of economic banditry to protect imbalance/injustices of the past rather than bettering them. The study purpose is to cross examine whether the IEEP *did or not deliver the 'state-directed benefits' to the majority of Zimbabweans while bridging gap between aspiration and reality.*

## **1.8 The research objectives and intentions**

The research study will concentrate on double edged purpose, structure, objectives, contents of IEEP in Zimbabwe. On the other hand, assessing implementation impact in the center of maladministration, mismanagement and exploitation.

### **1.8.1 Objectives of the study**

The specific determinations of the study are;

1. To have an explanatory insight as a check engine to in-depth understanding of the Indigenization policy thereby contributing to opportunities focusing of Fast Track Land Reform Programme and the mining sector;
2. To understanding the gap between the depicted idea and policy implemented with a theme towards government administration, ordinary citizens and politicians in its process;
3. To critically explain with analysis, "structure and implementation" procedures of the indigenization policy while noting benefits or economic empowerment improvement achieved in Zimbabwe.

## **1.9 The research questions**

- 1) What extent is the Implementation of Indigenization Economic Empowerment Policy IEEP achieving its intended objectives?
- 2) What are the deterring factors and threats to investors working alongside the IEEP?
- 3) What influence does government administration, politicians and legal framework impact implementation of Policies in Zimbabwe?

## **1.10 The research methodology**

### **1.10.1 Qualitative research**

The study utilized the application of qualitative methods. The secondary data collected from academic journals, discussion papers, books, government portal, university libraries, newspapers interviews from Zimbabwe Broadcasting Corporation, and peer reviewed journals are some major sources. (Schwandt, 2007:195) outlines research methodology as a theory of how an enquiry should proceed (Yin, 2009), complemented by claiming that qualitative research digs deep into aspects of social life while situating a particular study in a social setting. Qualitative research employs an inductive approach where conclusion is reached while detecting particular phenomena, (Bryman, 2004). People are attached to the environment where they live in which qualitative research has precision over. This research has triangulated sources of data thus increased reliability and rigor of assertion and assumption postulated, (Bryman, 2004). The evidence and material to answer the research question was gathered systematically, however, as the subject is politically sensitive the study will pin and rely on Secondary data without risking into fieldwork.

### **1.10.2 The advantages of qualitative research**

The researcher positively classifies contextual and precise setting factors that relate to the phenomenon of curiosity. The researcher is able to put study emphasis on the dynamic process of sequential patterns of documentation and the change or transformation. By employing the collection of data using naturalistic form setting in qualitative research, the qualitative researcher is reactive to changes and variations that crop-up or transpire during the period of research being conducted, (Fielding and Lee, 1992). The

advantage of approaches to qualitative research comprises in-depth analysis, flexibility, the room and potential observation to diversity and dynamics of aspects relating to social circumstances, (Babbie, 1986). The methodology has critical power and will to study a limited number of cases unfolding multifaceted phenomena as such. The qualitative research advantages are cross case comparison and analysis while dwelling on individual case apprise to in-depth understanding, ground methodology filtering results in awarding reliable and valid conclusions. Since immemorial scholars have used the qualitative research method, (Epstein, 1988) confirmed that it gives upper hand to researchers to come up with situated, embedded and rooted in local contexts. Qualitative research is a specific, personal approach for making sense of life procedures and giving them meaning, (Burns and Grove, 2011).

### **1.10.3 The shortcomings of qualitative research**

The critics of the qualitative research paradigm questions validity and reliability concepts and its translation to qualitative research findings, but the researchers have used a number of steps in data collection. Relating to field research, the questions posed by critics is the capability to replicate observations (reliability) while questions over the correct realism of phenomenon impression under study (validity), (Bogdan and Taylor 1990). Furthermore, the inability of researcher's influences to observe situations under study, for instance, location of study area, staff, time and financial constraints hence, failure to have opportunity to review the entire spectrum of cases to specific topics. On another perspective the type of knowledge may not be positioned to be generalized in other settings and by other groups of people for example, findings may portray uniqueness to people included in study. Qualitative predictions and data analysis is time consuming. Be that it may, qualitative researchers are confronted with challenges of validity and reliability hence, tackle it through triangulation by approach of different strategies to topic inquiry. The application of numerous kinds of data collection and analysis techniques to give ground to theoretical and epistemic outlines connected with qualitative research methods, (Rotchford, 2002).

### 1.10.4 Thematic analysis to the research

In qualitative analysis, a thematic analysis approach has been used in several researches by numerous scholars all over the world as a method of data analysis chiefly for analyzing secondary data. This technique is utilized to analyze data while identifying it then finalize by reporting themes which are patterns within and from the pool of data. (Braun and Clarke, 2006), reliably detailed that the theme captures to some degree about data, which is grounded in relation to a research question then compiles it to represent an equivalent of patterns to respond by such a set of data. Thematic type of analysis construes features of Research Topic with a system that explicates data in detail. It is clear that thematic analysis gives transparent assumptions to the nature of data while transparently putting a direct picture of what the researcher wants to find out, (Braun and Clarke, 2006). Through such decrees mentioned above thematic analysis necessitates analysis and participation of the researcher. To this kind of information, the researcher concludes that thematic analysis is appreciated in capturing complicated meaning within documented data. Consequently, the study relied on Secondary Textual Data, therefore, Thematic Analysis is best suited as a major method for analyzing and interpreting the data.

### 1.11 Definition of key terms

**Public policy:** it is the principled guide to motion taken by way of administrative government branches of the country with reference to a category of problems, in a manner constant with regulation and institutional customs;

- a) **Implementation of policy:** the system of setting a decision or plan into effect as well as its execution.
- b) **Empowerment:** This infers people's participation in economic development activities; therefore, empowerment implies the capability or ability of people participation in development of the economy by use or internal resources owned by the country. Increasing power to the marginalized groups who are those farthest the ladder of poverty and decision making, networks, including, knowledge and resources.

- c) **Indigenization:** In relation to Zimbabwe policy, it is the deliberate emancipation and involvement of indigenous people in the country's socio-economic development activities. As is to be referred to in this study, *indigenization is conceptualized as; '...the increase of local participation in or ownership of their resources or established entities, [and] one of the most popular measures of economically empowering the previously disadvantaged', (Wilson, 1990).*

## **1.12 The dissertation structure**

**The thesis contains seven (7) full chapters as follows;**

**Chapter 1.** – All-purpose introduction and background

The section will basically avail introduction, background, outline to research problems, research objectives, research questions, definition of terms and furthermore, the methodology to be applied.

**Chapter 2.** – The literature reviews

This part will dig deep into the Implementation of Indigenization Economic Empowerment Policies discussed by other scholars and happened in other countries, regionally and internationally (by whatever its known name). This provides comparative situations while converging to understudy Zimbabwe context.

**Chapter 3.** – The theoretical framework

The section provides theoretical framework and analytical framework that endorse the research. The Selectorate theory by Bueno Mesquita and its analytical framework were explored while focus on summative and formative evaluations were key bases.

**Chapter 4.** – The legislative framework for Indigenization Economic Empowerment Policy in Zimbabwe

The focus of the party dwells on legislation framework, law and policy that superintend over the Fast Track Land Reform Programme (FTLRP) and the mining sector revolution. The compatibility of implementation and assumption in the rules and regulation will be assessed.

**Chapter 5.** - Aspects obstructing the implementation for Indigenization Economic Empowerment Policy in Zimbabwe. The shortfalls of Indigenization Economic Empowerment Policy, deliverables of intended benefits to intended targets will be discussed.



**Chapter 6.** - Thinkable resolutions to implementation challenges of Indigenization Economic Empowerment in Zimbabwe. The section fully put forward likely solutions to revamp, refurbish, continuous implementation of the Policy to the benefit of the majority and ordinary Zimbabweans.

**Chapter 7.** – The Summary, Recommendation and Conclusion

Main finding, assumptions, recommendation and provided will be a synopsis aligning to the dissertation. The comparative context, better ways to continuously implement as well as suggestions for further research as put across.

### **1.13 Chapter conclusion**

Verily, the chapter finalization though not the least has given concession to the Indigenization Economic Empowerment Policy in Zimbabwe by rationalizing through the aims of policy while redressing colonial injustices using Economic Empowerment and as armament to make indigenous people emancipate into activities of economic while benefiting from ownership of countries' resources. The methodology, analysis, aims and objectives were tackled in the chapter.

The following section or chapter will discuss the literature review.

## **2.0 CHAPTER 2: LITERATURE REVIEW**

### **2.1 Comparative examination of Indigenization Economic Empowerment Agenda/policies and schemes**

#### **2.1.1 Introduction**

Worldwide after colonial liberation to most states, Zimbabwe is not the only country but is among others that has sought capitalization of its natural resources to its socio-economic development by emancipation of its ordinary citizens in economic activities. The Indigenization Economic Empowerment Policy (IEEP) Agenda also referred to as (Policy/Act) articulates the revolution among other sectors mining, industrial sectors through community possession and/either local shareholding in foreign owned companies operational within the borders of Zimbabwe (Matunhu, 2012). Inline to the conceptualization in this research, Indigenization Economic Empowerment Policy (IEEP) Agenda, Indigenization, nationalization are statements or words that are going to be used interchangeably. This is to the common fact that all these processes with a territory entail the overall gaining of strategic natural economic resources, (Games 2006).

In this section of the research will deliver literature review concerning the subject of nationalization also referred to as indigenization or Indigenization Economic Empowerment whose main focus is on three countries who partake and others still in the process which are; South Africa, Zambia and Norway. The disastrous failure of the nationalization of ailing foreign owned mines by Zambia act as an instructive understanding case to Zimbabwe (Limpitlaw (2011).

Currently, South Africa is moving the process of implementing its peculiar systems of indigenization or the affirmative action, in the form of Black Economic Empowerment (BEE). The democratic Government of South Africa took power in 1994, hence, to date faces dire process challenges that unequivocally be of educative value to its northern neighbor, Zimbabwe. On the other hand, Norway which is a European country considered small has extraordinarily shown that if nationalization is managed efficiently the country's wealth is feasible. (Thurber, et al. 2011), alluded to the fact that Norway nationalization of its oil industry has become a force and wealthiest country in the world.

## **2.1.2 The nationalization of mines by Zambia**

Amongst a number of countries located in the Southern African Development Community (SADC), Zambia is one of the prominent State with massive copper reserves. Be that as it may, the country is adorned for other world-sorted natural valuables like emeralds, cobalt, zinc water and land (Atud 2011). The British colonization of Zambia saw most if not all institutions of capitalism; such resources held on open markets shrouded in the private sector. Due to the stance the former called Northern Rhodesia was enfolded to foreign companies and investors hammering across vast subdivisions of the economy. In so experience the Anglo-American Corporation and Roan Selection Trust, claimed monopoly in the production of copper but that was the cornerstone of the economy. This resulted in limitation and minimal involvement of the State role in the Economy. The only basic role the State provided was a social service such as education, water and electricity. (Keeton and Beer, 2011).

The mining of copper converted the “Copper belt” from remote to a hyper-active urban and region of industrialization. Being exemplary and its surrounding factors Zambia became a role model of the continent of Africa focus towards the Economic emancipation, reduction of poverty, and full home-grown industrialization (Atud, 2011). Zambia, in the late 1960<sup>s</sup> branded into a category of the middle-income nation characterized by being the highest as reflected by its Gross Domestic Production (GDP) in Africa. This surpasses by three time that of Kenya, twice of Egypt and even higher than those of South Korea, Turkey, Brazil, Malaysia amongst other nations (Chamber of Mines of Zambia 2010)

At its independence Zambia in 1964, inherited an afloat and technical and specialized sound economy. Through the testimonial of rapid economic growth in the years sixties and seventies stirred by government expenditure on services and infrastructure including investment through import standing in for manufacturing enterprises (Solomon 2012). (Leniz, 2001), steadfast, these high hopes for development and aim to improve citizens standards of living were of Kenneth Kaunda and the United National Independence Party (UNIP). Using the political rallies platform in Mulungushi, Kaunda openly stated the nationalization of all Private and foreign-owned companies. Extensively, the Government indigenization most commercial

economy activities from packaging plants, wholesale and retailers. Tolly 28 companies were nationalized (Limpitlaw, 2011). This was followed by Mulungushi reforms popularly known as Matero reform (suburb in Zambia Capital). This is where the imprint to nationalize the mining industry was rubber stamped and announced (Mwamba, 1997).

It was the main aim of the Government of Zambia to bring its people out of dire poverty in rural areas as well as to orchestra reduction to poverty in peri-urban areas. By so doing the Kaunda Government drove the economy from commodity supplying to the decentralization with a top notch based in providing employment to the masses (Limpitlaw, 2011). All such movement was in belief that the nationalization of copper industry, the state would benefit in realization of its developmental target by utilization of the proceeds of copper. Because in this period copper was booming from rapid growth as well as universal copper demands whose prices were flourishing in the sixties and seventies. Generally, it was as if the intention the government felt seemingly realistic (Nelson, 1996)

The move of indigenization returned all the rights of mineral ownership, a special exclusive prospecting licenses of mining to the state. By this the companies in the mining sector were compelled by law to cede or return 51% of its share to the state. Specifically, in 1969 the Zambian state acquired a block of 51% stake from Roan Selection Trust and the Rhodesian Anglo-American companies that were producing Copper (Fraser and Lungu, 2007). By then, it was lucrative in the copper industry as the copper prices were favorable that led to be the booster of the Zambian economy. In 1982 the main mining giants in Zambia were merged to lead to the formation of the Zambia Consolidated Copper Mine (ZCCM). In the years of 1969 end, the state had power and control of Economic activities which included mining, construction, provision of housing, tourism transport services, electricity and water ((Nelson 1996). Numerous formations of government and public private partnerships (PPP), creation ventures of parastatals. Foreign partners who had privilege to benefit from the State exercised market protection through imports banning focused on competing goods, obscene and imposition of tariffs, (Hywel, 1971).

The nationalization of the mines saw the involvement of the economy practically halt with partial

exemption to the commercial farming and the banking/financial sectors. The banks that remained operational but foreign owned included Standard Chartered Bank, Barclays Bank and Grindlays bank which continued to be pivotal to the commercial banking segment, (Chamber of mines, Zambia 2010). The failure or stalemate between the Government and bank shareholders prohibited the Govern to nationalize them. To that cause, (Hywel, 1971). The Government advanced to create its state-owned bank which included the likes of Zambia National Commercial Bank (ZNCB). This bank became the most sought out bank as it had the privilege to have a monopoly where the majority of parastatals in the market utilized, (Mwamba and Fundanga, 2007). The believed fundamental was being realized. The Government had to acquire agricultural farms for production. In productivity the state farms failed to have an impact and remained low whereas the private remained the leading in that particular sector, (Vernon and Ravi 1991).

### **2.1.3 Nationalization project challenges to Zambia**

The wake of the Economic Empowerment Indigenization Agenda (EEIA), the Zambian Government attempt was disturbed due to political interference. The dominant elite overtook the economy and the whole of ZCCM, (Libby et. al, 1980). The implementation and forward moving of (EEIA) through ZCCM were captured by the politically motivated commendations which technical experts if the decision making were politically infested thereby overruled, (Libby et, al, 1980). By so doing the ZCCM was utilized as the financing propel or the cash cow for uneconomic and social activities which did not consent the space for re-investment hence vanished. For instance, holidays for overseas luxury resorts aimed at Kenneth Kaunda, the President at that time took a chunk in the public funds national budget (Simpasa et.al, 2010).

The leadership of ZCCM further cast-off its reserve of foreign exchange to political financing activities which led to drainage of the company's backing finance that led to ravage of its operations (Vernon and Rav, 1991). Be known, this prime as alluded by (Auty, 2008) unveil that the Government of Zambia rummaged ZCCM include its revenue's a mode of sponsorship and source of income. This became an extortion high to mining rents killing competitiveness to that expense. In the mid-1970s there was a recession to the copper prices which happened unpredictably and gave immense pressure to the Zambian

monetary policy hence dropping the government into an extreme debt. By any means the day's government created or formulated policies and mechanisms that maintained the industry of mining which was unprofitable, (Craig, 2001). In a scramble to cut away the cost and expenditures this affected the Economy. In all this the acquired savings realized from copper dwindled the income per Capita levels, (Limpitlaw,2011).

Although a sizable development and progression in the initial ten years of independence were realized, the recession of copper prices came as a blow and crisis to the Government. This was caused by the 1974 oil crisis. In doing so, (Atud,2011), the Government was pushed to borrow money in a move to sustain its social services. As the economy of Zambia collapsed in 1984, it caused severe depression, high unemployment rate and foreign debts (Craig, 2001). Overall, it led to decreased imports. As the late 1980s approached the production of copper massively reduced causing most influential companies to shut down. For a total of nearly twenty years the Economy of Zambia shrunk at an overwhelming rate. Comparing between 1974 to 1994 there was an exorbitant level of low income per capita by 50 percent, which left Zambia amongst the top twenty-five poorest nations in the world, (Auty, 2008).

In the wake of complete crisis, the ZCCM was observed as the "Cash Cow" of the Economy. The company fell short of required financial ability for exploration, henceforth affect the operations. This was in failure drilling, acquiring spares as well as the upgrade of equipment and machinery. The State had drained its previous made profits. Neither the days Government through ZCCM and copper revenues had management to supply services, facilities to the nation of Zambia better that the colonial era the company started to crumble down, (Auty, 2008). As the new decade came (1990s) ZCCM was enfolded by unending financial burden, long term development problems and challenges, (Simpasa and Meller 2010). An uphill of reinvestment where not adequate to withstand production of copper. The production of copper in the years 1982 to 1990 declined dismally, (Limpitlaw, 2011) The "Cash Cow" company (ZCCM) debts enlarged from one third value of assets to over half of its assets forcing it to depend on the Zambian government for payment schedules as well as bail-outs (Craig, 2001). Rating in the year 2000, the tonnes of copper ZCCM produced dwindled from enormous 750, 000 tonnes 257,000 tonnes in 1973, (Keeton and Beer, 2011).

When Zambia created many public companies (state-owned) that came as a macro front turning it into a large public sector which was evidenced by the spending patterns as well as its expenditure, (Nelson, 1996). Nevertheless, the move of expansion to the public sector was not the detailing of high budget expenditure levels, but also a plummet burden to the State because of the shortage in skilled and qualified employees which proved ability to formulate economic policies and management as well as implementation (Chamber of mines, Zambia 2010). The involvement and participation of government in issues of macro-economic contribute to absolute government failure to commercial activities as well as critical public services. As reflected by the expenditure of the Government, dragged by the economic structure, detailed and entailed then financing deficit level to a considerable size, (Leniz 2001).

Learning from development models persuaded by Zambia, the leadership fell into undesirable continuous social, economic and political problems. This overrides the capacity of the day's government to revamp the Economy. Because of the economic front was state owned businesses, the efforts to settle the economy resulted in decline due to poor utilization and output in all economy sectors, (Fraser and Lungu 2007). Shortage and unavailability of the private sector detonated the crisis in the country's economy, (Mwamba 1997). Analysis from the political side and factors in the mining industry growth uncontrollable powerful formations of trade unions erupted. This was the germination and creation of constituencies in urban politics, (Nelson, 1996). By so apprehending, these Trade Unions had significant zeal and of challenging the government policies to protect their rights and interest to the economy. Tight monetary and fiscal policy, expenditure contractionary were some of the most significant reforms required. This would mean restrictive of wages growth to the urban wages, food subsidiaries cutting and removal of housing allowances, which were vehemently opposed, (Libby and Woakes, 1980).

#### **2.1.4 Copper mines privatization in Zambia**

It is a perverted failure by firms of Zambia resulting from technicalities such as use of inappropriate and outdated technology, solely depending on raw material imported processed, the management

inexperience's, mismanagement of finance and fraud. The reforms at that particular time were inevitable (Mwamba 1997 and Vernon, 1991). The failing of the economy pushed the government to rethink privatization as an exceptional solution. The willingness to Nationalize started vanishing in the Government circles which led to selling back nationalized firms to the private Sector. In the year 2000, the Zambian copper industries were privatized, which are Mufulila, Chingola, Kitwe and Chilabombwe. Using knock-down prices the entire industry of mining was returned to privatization, (Solomon 2012).

This mode of privatizing the mining industry was considered as key to boosting the economy to medium term, (Fraser and Lung, 2007). This was a planned rationale that privatizing the mining industry to companies which are private would relieve the industry collapse burden from the Government. In that sense, secondly, the State also supposed that the industry was to be revamped and resuscitated to be profitable again, hence increasing taxes that would go a long way to improve the living standards of the entire population of Zambia. It was the Government's anticipation that the Private Sector could bring about new technologies into the mining industry as well as creation of relationships to local firms, (Meller and Simpasa, 2010).

Because of no due diligence and restrictive measures and proper laws set, a major problem that befell on Zambian privatizations led the companies to milk the resources through short-term operations, quick money making, eventually disappearing or leaving the country, (Solomon 2012). Resulting to the poor copper pricing in the as well as mining asset in the same period the Government did not acquire the foreign direct investors as it had anticipated to. The country's resources remained under extraction and unturned. This only changed due to the arrival of the Chinese investors to the Sector hence as a result the copper prices have started to rise again, (Chamber of mines of Zambia 2010). The Zambian illusion and its experience serve as a clear instruction to Governments who have motives of overtaking resources while leaning against the ideological righteousness to indigenization, (Mwaba 1997).



## **2.2 Black economic empowerment in South Africa**

As other countries in Africa came out of colonization, South Africa Indigenization is referred to as the “Black Economic Empowerment” (BEE). South Africa liberated in 1994 and still suffers the apartheid legacy, which to date the economic actives has been left in the possession or hands of minority (few) white people which the black citizenry or the majority languish in abject poverty (Adam et. Al 1997).

Throughout, the era of apartheid, the complicated restrictions executed towards the Black labour movements. The skilled and the semi-skilled black people were not allowed to be employed in those positions with skills they earned, (Fleisher and Gumede, 2004). The positions which white saw not befitting them were the ones meant and given to the black people and those had no role in the economy other than serving the white industrialists’ needs. Unfair laws gazetted by White’s minority where that, black people who were employed in the urbanized white people zones were supposed to have on person special permits. This was if they were to stay in such zones for more that seventy-two hours (Ndedi, 2004).

The colonialists (whites) set education systems and standards which guaranteed black majority were perpetually restricted to economic ancillary functionality which for example, in the city of Orania is still happening in 2022. Such a system created inferiority and twisted deep-rooted racial drawbacks for back majority, (Biko, 1978). This was done through affecting skills and the expertise of black people could reach, (Gumede and Fleisher, 2004). This made strides of black people (Ramaphosa, 2004) to opine that reforms were crucial to curb and transform centuries of black economic disempowerment. In years of 1950’s several organizations of multi-racial in South Africa come-out together to form the alliance which was led by African National Congress (ANC) with an aim to fight regime of apartheid.

In an agreement the alliance had a mission that, ‘The People Shall Govern’, (Plaut 2012). In June of 1955, the statement of core principles formulated the present and now re-owned “Freedom Charter” which was a response to increasingly repressive government and framework the demands of the majority of South Africans. This Charter was unanimously adopted 26 June 1955 during the People Congress, (ANC, 1969).

The charter contained stipulations of the following:

- Direct the economy to nationalization
- The majority equal re-distribution of land and resources
- No discrimination against education in form of; (Plaut and holden, 2012), (free and compulsory education for all, irrespective of colour, race)

In the aforementioned alliance, it was clear and the arrangement on the way forward to correct the Economic inequalities that was rampant in the country was to be created for a fair and nonracial state of South Africa. Be that it may, as the negotiations took place, it led to the imprisonment, release of Nelson Mandela and retraction of the banning to ANC, which the parties devoted to the agreement (Plaunt, 2012). Thus led Mandela to presidium. The agreement tendered Party-political and populace (black majority) voting rights but restrained the economic resounding power to the minority (whites). Assets, and economic structures like banks were not seized at that period nor an agreement of procedures were to be set for wealth balance in a reasonable manner (Mbeki 2009).

Although political rights were downgraded to the black African people, the liberation to the economy, its structure, land ownership remained intact to the monopoly capitalists (whites), their status quo thrived (Brown, 2014). To this fact, Mandela and the ANC party-maintained permission to white people businesses and full control of the South African Economy while the black people were put aside from participation effectively in the running of Economy. As the history progressed the ANC moved to the ideology of Socialism-corporatism there by loopholes which viciously kept the white people continue living an inferior pleasurable lifestyle (Mbeki, 2009).

Those businesses that thrived and associated during the Apartheid with the apartheid Government found solace to the administration of Nelson Mandela to the position status quo, (Brown, 2014). Nevertheless, there was an appreciable ethic movement in the integration of racial to the economic front. The creation of, and full operation of (NAIL) - New Africa Investment Limited by Sanlam in the year 1992 by the assistance of the National Party government which controlled the Industrial Development Cooperation

(IDC), a development bank owned by State raised the flagship (Burger and Jafta (2010)). Secondly, followed by the (RAIL)- Real African Limited whose capital sponsor was the 'Anglo America Corporation.' To this effect the white people business industrialists commenced the transference of assets and shares to the elite black people. This was a gimmick to include the top political order that was new (Chimhandamba, 2008). The sequence of arrangements falls into the argument that the BEE was constitute or formulated by South Africa 'Oligarchs' in common interest with the minority business people(whites) involving their families who hand an upper hand to control critical sectors of the economy in form of mines, finance, manufacturing industries, chemical engineering amongst other economic house holding sectors, (Mbeki 2009).

From the order of events, those transpiring to the democracy led by the ANC government had no impact on the economic sector by blacks. It was viewed to the angle that; this was introduced for and to the Top Black Economic Elite who were joining the existing minority capitalist (whites). In the late 1990s to early 2000s persuading to date the citizenry began agitating realizing the laid down promises of the struggle to liberation are still not fulfilled. Though political equity was realized, the emancipation of the economy by blacks remained doom and equally nowhere and needed, (Madi 1997).

In the backwash of disparities in the socio-economic, pressure from a series of racial organized groups, the South African (SA) - ANC government embarked on to establish Policy known as the Black Economic Empowerment (BEE) in 2003. The government engaged the Ministry/Department of SA Trade and Industry (DTI) to come up with the objectives for BEE, that is; upsurge black people to manage, control and own the economy, (DTI, 2003). The was based on the foundation of three constituted imperative; social and economic growth as well as moral, (Andersson, 2010). By this, the BEE was considered as an instrument by the government of South Africa to whip in line the injustices of racialism of the apartheid era. Also, to rectify and order the imbalances of the colonization past, ([www.sabusinesswarrior.com](http://www.sabusinesswarrior.com)).

In confidence, the BEE was also captured as the most appropriate intervention to the recuperation of the SA economy due to the sanction that was imposed on the government of Apartheid (Decker,2004). The SA GDP in 1983 to 1988 dropped to 1.4 percent compared to 1992 (2.2 percent). The investment fell

from 6 billion to 2 billion in the period 1976 and 1980 (Mantle and Ryan,1994). A life insurance company (SANLAM) in 1991 disposed of its 10 percent of shares to a black conglomerate (Metropolitan Life). Whose acquisition of the holding company was called MetHold (Acemoglu, et al. 2007). By a pass of two years, SANLAM traded another twenty percent of its equity again to MetHold. As of late 1994 MetHold became listed to the Johannesburg Securities Exchange as NAIL. These fostering business deals were privately financed where the State was not involved in negotiation nor aid funding. This the lead to not at all state legal restrictions, (Madi, 1997)

Methods of preferential procurement, contract-sharing as well as profit-sharing through black enterprises were utilized as the core elements to ownership as direct empowerment, human resources as indirect empowerment, control of assets and businesses. (<http://www.sabusinesswarrior.com>). Consistently with previous literature, pointed out by Steve Biko, the determination of BEE in SA was a procedure and progression towards reduction of effects experience in the time of apartheid whose aim was to create a nonracial South Africa. There are two straight distinguishing facts to the said empowerment strategy components where the first one was to – breakdown the social barricades/barriers through increment of black majority incomes, (Plaunt, 2012). Alleged by (Biko,1978) that the lifestyle changes to the blacks will increase the communication between them and whites resulting in change effected to political processes. Secondly, (Butler, 2007) that creation of wealth within the community of black majority will lead to fitting in the capitalist system and make them acceptable to the levels of the white people. The considered first phase of BEE had dialogues with the private white-owned companies to relieve the acquisition of equity by shareholders of the black races and assure that the businesses continue to be capitalist instead of implementing socialist alignment, Ndedi, 2004).

The ideas and purpose of the Black empowerment was focused in the development and reconstruction programmes (RDP) of 1994. The main projection was reduction of socio-economic problems of the Post-apartheid SA. Basing on the RDP main aim was to incorporate the following; development, reconstruction, economic growth and natural resources redistribution on a single Public Policy. To this modus operandi the ANC had abandoned its movement of Socialist Policies which handed the mandate to promote the

wealth redistribution lonely (Butler, 2007). Whereas the RDP's unbiased reason was to persuade in making sure the poverty reduction in the civil society and private sector by improving infrastructure and balancing the involvement of government. Within the market framework the Government (ANC) expected the investment in the public sector to be stimulated in development and reconstruction through cooperation by the private sector thus between stakeholders throughout the country (Butler, 2007).

The desires of South Africa through the BEE aimed at skills and equal opportunity, capacity building for majority citizenry. Also, the commercial corporate sector of business be involved in the implementation of programmes to the Empowerment, (Decker 2004). Be that is may, it is a step ahead compared between South Africa and the region including the whole of post-colonial African continent. It can be viewed with evidence that some African countries have a strong bias to disliking private and foreign owned business, hence upholding a strangle-hold on resources of the state and economy. Thereby, the South African programmes of Empowerment were not designed with an ideology to dislodge the foreign owned business control. Henceforth, the control of Economy by the private sector enfolded the viewpoints and attitudes (philosophies) of indigenization and nationalization hence promoting the market-oriented Monetary Policies (Jackson et.al, 2005). The critical part and movement of the BEE in SA was meant to incorporate Black majority (people) into the economic emancipation there it key spear was to facilitate the control and transfer of shares to black people from the colonialist (whites), (Chimhandamba, 2008).

### **2.2.1 The setbacks of BEE in South Africa**

(Ershammar, 2008), alluded that BEE Policy major problem is whether it is a legal way of economically empowering the black SA majority/citizenly or it is a gimmick to empower top government elite, hence, becoming illegitimate/dishonest and discriminatory to the black majority as proclaimed. Hence, duplicating the same stance of the apartheid past. In spite of the assumption of the think-tanks that the BEE is the Economic emancipation of the blacks, vast critics of the Policy brought into the circle the argument that it is a form of the Apartheid Reverse. Whose meaning would be elaborated as the treatment of preference to the previously deprived blacks, Chinese, colored's and Indians, necessarily an unjust

deliberate treatment to the white people as of apartheid. To the aforementioned facts of argument, the Race mechanism applied as a weapon to address Economic inequalities, will spearhead the Government economic system ignoring individual cases, a determination of nepotism and unequal opportunity and advantages to the elite. This aggravates and escalates loopholes of terror with the social partitions, ([www.polity.org](http://www.polity.org)).

These Black Economic Empowerment is challenged and argued by the empirical evidence, shown by the rift between the Rich and Poor observed in the sub-Saharan countries wide has widened since the movement of these indigenization, (Plaunt, 2012). Even so, the opinions that the BEE's intent was to incorporate the top elite (top politicians) give the impression to prove correct, portrayed by the massive inter-link of the so-called Black bourgeoisie, (Mbeki, 2009). It is open to the eyes of the public that substantial amounts of assets were inherited and given to the BEE elites although the amounts were smaller than it appeared. As is referred by an individual Paul Hold, noted in explanation that the BEE total cost transfer was nearly (\$US30b) R250 billion reflecting an insignificant portion compared to the worth of (\$US700b) R600 trillion. Those who were connected to the top elite and ruling government benefited from the distribution of different types of funds and shares, (Schlemmer,2005, Plaunt et. al, 2012). In so revealing "the formerly under-privileged group" constituted by the top elite who are politically connected seemed to constitute the majority hence, the BEE worked for them to address their need of Economic liberation. However, BEE known as a Public Policy was a Win-Win procedure encompassing the black top political elite and the white Capitalists. These had clear inequality to the disadvantaged citizenry majority, (Schlemmer, 2005). Because of this rift witnessed to date, BEE has been criticized for its state of segregation in the creation of a small clan wealth group of black top elite whilst the majority of black people are wallowing in poverty.

Resultantly, the BEE implementation stunned the state of SA by pointing out to the qualified manpower shortage which had impact to the in the long run to the business. (Adam et.al, 1997), decreed a circumstance that when senior positions are given to the black people, neither with capability nor competence, it weakens the management of a company as well as creation of inter-racial conflicts and struggles. On the other hand,

the superior treatment awarded to the blacks politically connected to privileges of BEE escalated the intra-racial inequalities. This has been exposed subsequently to the inauguration of the BEE in 2003 and has been rampant. The images depicted by SA with the Post-colonial counterparts of Africa were that a small top elite, politically connected benefit from Government Public Policies and the poverty hit the general majority, (Burger and Jafta, 2010) Xenophobia is one of the empirical pieces of evidence to these BEE challenges.

The delinquent issue that also lies in the BEE is that the transfers are concealed as loans and not as freebees. The command was that the black business owners were to repay the loans that had high interests. This occasioned the scenario that the new entry entrepreneurs whose majority were inexperienced lack the cognizant to the running of business hence, confronted to complications in making profits, (Chimhandamba, 2008). Be that it may, the BEE contracts and agreements were signed by people who lacked the requisite Capital and skills leading to non-performance of Capital. Consequences were that the deals were debt-driven and had the capacity to function when the economy is rapidly growing and while the company profitability is escalating deliberately, failure in slump recession (Adam et.al, 1997).

The application as well as operation of the BEE Public Policy was surrounded as frontline and window shopping. This is to the reason that the Companies act as though they comply with the policy objective, yet genuineness the selected blacks were non-influential facades. They have little or no power on how the business is accomplished, (Chowa, 2013). As a result, and reality, there was an eruption of arguments to the gap of income between the Blacks and the white which remained stagnant and not changed. Through observation of (Van den Berg, 2003), that the black people's wages stand still at a 1995 set pack of 38.3 percent from the 1970's pack of 22.3 percent.

Roundly facts, the authors in form of (Hoffman, 2009) conclude that the BEE has prejudiced, unfair results that have maintained the black people in South Africa marginalized and sidelined. The microscopic few apartheid beneficiaries live in byzantine luxury and proprietary solitude. To this fact the black majority (black indigenous) still endure continuous double injustice inform of the apartheid suffered and the

quandary abandonment by the ANC Government considered decision to partner with former oppressor who continuous to dominate them, (Hoffman, 2009).

### **2.2.2 Supplementary solutions to BEE of South Africa**

Reflecting back to the aforementioned obstructions and impediments the BEE of SA is perceived as insufficient to the results. To date, low levels of education, high unemployed black, lack of proper housing among other economic challenges within the black communities show that eradication of poverty in the South by BEE is a fantasy or pipedream, (Butler, 2007). Be that it may, (Burger and Jafta, 2010), of recent though progressive the problems ancillary solution has been cast, taken as significant ways to tackle the apartheid and past racial inequalities whit remedying the present disparities of the economy. Small to medium enterprises as well as entrepreneurship has been through to net challenges as a solution. The argument remained vivid to the African people to conquer the challenges of unemployment to the black people; (a) availing of capital with low interest rate to small and medium enterprises (SMEs), (b) Training entrepreneurs for the future. (c) setting up of progressive law that accounts for transparency in utilization of the capitals available, (d) Rules and regulations implemented consciously. It is an open secret and brutal truth that South Africa requires more Entrepreneurs and not basing on the effort of replacing the white capitalist entrepreneurs with black one, (Human, 2006).

### **2.3 Nationalization petroleum sector in Norway**

The Norway Economy is based on the vital energy sector and created a base for it. The country's gas and oil production has seen contributions of more that 22 percent of its GNP while exports of a value consorting to 46percent that is at least 15 percent of its revenue in total. In pursuant to economic development Norway drastically went on a “go-slow” Public Policy in expansion to the Petroleum sector. The country implemented an unquestionably and transparently nationalized programme to the sector in a modus operandi to institute industrial proficiency and development of natural resources domestically rather than overseas, (Stiglitz, 2007). The motion of state involvement in strategic industries is a norm adopted in



Norway which has traces to the Scandinavian Countries to uphold Social-democratic Policies, (Newendrop,1975).

Take schooling from the 1971 Norwegian parliament who approved the exemplarily 10 (ten) commandments that were to be the cornerstone and concrete to the petroleum sector whose majority citizenry settled and co-owned the Policy. The commandment's objectives to the public policy where (Al-Kasim, 2006);

- The government plays the principal role in coordination and welfare of Country;
- The Government has right to manage and implementing countrywide NCS (Norwegian: Den norske kontinentalsokkelen) operations;
- The extension and growth of onshore petroleum-based industry and commerce;
- The sole right to the formation of a State-Owned Oil company with the sole right to account for the nation's business welfare that will coordinate with the Norwegian and overseas oil companies.

Accolading to the aforementioned context, the oil company was owned by the state. The parliament acted in unity, harmony and formulated an undisputed decision to the peace of legislation. To that effect the company/organization became hand to the development of the essential national Petroleum industry system, (Grayson 1981). Cautiously designed, the Ministry of Industry was the regulatory body created for the sole purpose of being a directorate to the Norwegian Petroleum. To date working in consistency the facility has been successful to the nation. Looking at the calculus/reasoning of the nationalization policy in the country of Norway, it created high levels of employment rate, competence and growth of the State-owned companies and countries integration, (Wolf and Michael, 2009).

In 1973, Norway allocated all the first assets to Statoil which the company was the key to the platform investment of the Government. This was the root of government involvement directly to the sector of petroleum, (Grayson 1981). This was a growth path to Statoil as an operator. Given the space by law, the company has a reserve prospective on the block of National Oil companies which allows due authority to offer licenses to international companies with experience in the sector. This was a power overhead as the

gap for Statoil to return the operatorship was a negotiated guarantee. These licenses were to be established for a certain number of years after the inaugural of Oil production, (Thurber and Istad 2010).

Through the Nationalization deemed indigenization by African Countries, the Norway state gave itself the first ten years of operations three major advantages. All licenses of Petroleum were given 50 percent to Statoil giving the state company Veto power in all the resolutions of Development Peter and Rees, (1987). Also, Statoil was awarded the rights to involvement in the procedure of exploration phase; this gave Statoil experience it so required from foreign investors. Resultantly the company compensated a small fee where oil has been discovered. To that effect, when the discovery of oil was realized the interest of Statoil increased from 30% to 80% conditional to the amount of the scale of production, (Newendorp, 1975).

Through the mid-eighties Statoil had massively economically grown as mirrored by the profits. This was due to the backing by the State. At a point, a new “Conservative party” arose to the discretionary influences and powers of the Statoil, (Wolf and Michael 2009). As of 1984 the Parliament of the Norwegian came together making variations and alterations to instruction boundaries of Statoil Powers. Primarily, the company’s license interests were dismantled in two specific segments while the large chunk of shares was transferred to the Norway government controlled under the department of “(State Direct Financial Interest- {SDFI}), (Nelson 1991). Initially to this effect, though Statoil returned asset control on Government behalf the revenue cashed form oil production was directly channel towards the state public finance treasury. Furthermore, the bestowed civil liberties to Statoil company were immensely withdrawn and this was the Government’s plan and motive to attract Private Investment to invest in the sector, (Thorhallsson, 2000). Lastly but not least, the veto power of Statoil was withdrawn - (voting interest 50 percent plus). This was unconventionally without Parliament authorization hence was a destroyer of the probability to rent seeking as well as corruption, (NPD, 2005).

Diligently, to improve the country's state, the Sovereign Wealth Fund - (SWF) to handle and safeguard the revenue proceeds from Petroleum industry was created. This intelligence leads the government monetary process to invest the bonds on international stock as well as in property. To this date the SWF as

administrator has made the Norwegian State one of the capitalist countries amongst a few, (Zugazagoita, 2009). Based on this result of strategies the majority of the Norwegian descendants are among the wealthiest in the world. The consistency of the Norwegian Government economic policies has aspired while steering the country to economic powerhouse, (Stiglitz, 2007) The State has maintained the domineering control policies which have acted as supervisor to the petroleum Sector. Furthermore, the mechanisms and revenue generating have been upheld with the state's Political control. Reviewing this section, the state has accelerated deeply to the minimal liberalization and privatization with a slight policy alteration of the petroleum sector. Hence, at the same time its control over other sections solidified, (Wolf and Michael, 2009).

The action of being an entrepreneur and landlord “double-dipping” can be applauded as it has come as a trendsetter for Norway and a Petroleum industry leader. Even though plentiful alterations were made the Statoil company, it remained the government priority that the industry of Petroleum remain its source and remain profitable, (Austvik, 2012). It was well choreographed by the government that the profits were collected by the government itself. The government used not only the Policy, legal, regulative, and political action but set pace of socio-economic goals, industrialization as well as government entrepreneurship in the energy industry. The management mechanisms that the government of Norway employed gives a dimension of dynamism to a capitalist State if it requires being consistent and remaining Capitalistic, (Thorhallson, 2000).

## **2.4 Studies on Indigenization Economic Empowerment Policy in Zimbabwe**

Relating to the precise background of Zimbabwe, there is a universal agreement to the need and moral justice to empower the indigenous people of Zimbabwe. Authors such as Magure and Chowa amongst others researcher on several publications which contain the same sentiments in them. However, there are several major points of disagreement and debate focused on the approach used for the national objective “Empowering majority of Zimbabwe” was to be achieved. In one of the (Magure, 2012) arguments, alluded that though it was of concern for the government to correct the unfair economic injustice, returning natural

resource to the local community economic development and inequalities that were perpetrated during the colonial era the ‘one size fit all’ method in executing the Indigenization Economic Empowerment Policy (IEEP) is profoundly flawed/blemish. This is due to the fact that it has turned out and chased away foreign investors and capitalists to neighboring countries which further worsened the Zimbabwe economic challenges-(problems). Be that it may, in sync (Chowa, 2013), further acknowledges the will and need for Zimbabwe to retrieve from the Historic injustices that lead to the IEEP, nonetheless also identified some alternatives that may/would improve the current IEEP Policy.

Following the studies and researches done by (Koga & Masunungure, 2012) for the projected application deemed ‘Afro-barometer’ which went on to apprehend several prospects and opportunities which the majority citizens - black people expected from the IEEP. This Afro-barometer makes comparisons to attitudes by the public in a series and survey from 39 countries utilized, (Masunungure and Koga, 2012). The main intention of this is to produce scientific information which is reliable through public opinion and take advantage of the results or finding to assist Policy implementation. It is there the Afro-barometer cast-off to portion public opinions and insights on democratic matters, valuation of the Quality of Governance as well as economic performance. Focusing on the Zimbabwe aspect of IEEP the study revealed that the majority of citizens who are the black people expected the IEEP Government implementation to provide jobs to the masses. With a large unemployment rate, Zimbabwean (the standing rate is 85%). Using the wide-ranging population sample of (N=2 400) which is (78%) of those participants who contributed they recommended the employment creation of IEEP, (Masunungure and Koga, 2012). Also, (Mabena, 2013), alluded to the funding of the SME’s (small and medium enterprises) that the IEEP is a key system that alleviates the poverty-stricken majority as well as true IEE (Indigenization Economic Empowerment).

The Zimbabwe Land Reform Programme most referred to as the “Fast Track Land Reform program” (FTLRP) which brought mixed fortunes and distrust to the populace was one of the key movements of government into the IEEP. The “Land redistribution” was influenced by politically affiliated top elite to the ruling party and disorganized. In the revelation by Pazvakavambwa, 2012), alluded that there was a systematic process utilized to grab farms with upright infrastructure and high productivity agriculture from

the white commercial farmers who tend to be the capitalist and also had the most capital in banks. The invaders influenced by the ZANU PF top elite which was the Government of the day moved from one farm to another terrorizing in vandalizing farm equipment as well as plundering. Nevertheless, those implicated in the effect of wreckage activities to a number of farms defended their movements in various ways and means. It is on record that in their arguments, they were not satisfied by the equipment on the farm or either that the farmland is not adequate to sustain productive activities, (Moyo, 2005). Similarly, those implicated in the involvement of farm movements were assumed to be politically connected. Unorderly manner to the redistribution of land to the indigenous black majority was marred with confusion, unorderly, affiliation to politics which had an impact on the FTLRP. Such manner of the aforesaid became overwhelming to the Government, Administrators of program, local governments and technicians mandate to the successful exercise of the Land Redistribution and movement, (Pazvakavambwa, 2012)

Considering vast researches and studies in different capacities and world at large conducted on 'Land Reform' reveal that the indigenization is a complex procedure and weighs diverse outcomes. As in contention to several researches, most scholars have resisted the legacies or in simple terms the beneficiaries of FTLRP remain not homogeneous, (Moyo 2005 and Scoones, 2008). Referring to the scholars' studies they argued that though top political elite, military top elite, to government elite own multiple farms in the scale of A1 and A2 models, the ordinary Zimbabwean at present own a insignificant piece of land for subsistence farming and for resettlement purposes, (Moyo 2005). Although the new farmers or land owners have the so-called new identity, they have better-quality of their social solidity. In other assertion, neither seen as indigenization of land negative, the impact of partisan, coercion, destruction of property and murder, the small-scale farmers amidst political and economic setback have manage to increase productivity, (Mandizha, 2009). Generally, and openly, the new farmers however, are surrounded and encircled to exposures of natural disasters in farming, drought since their source of water is solemnly rainfall. The government and movers of the indigenization did not plan for the effects that may arise such in preparation to unforeseen challenges such as – capital, nature, skills among others. The results of nonexistence Capital Assets and labor technicality to increase productivity on the acquired land has caused unsatisfactory syndrome, and the majority of Zimbabweans remained poor, failed to realize the goodness

of the indigenization program, (Scoones, 2008).

Taking mining into consideration as a business to the formation of Community Share Ownership Trusts - (CSOT), Corporate Social Responsibility (CSR) ought not to be obligatory. Directly in Zimbabwe the CSY with the community were foreign organizations operating it is legal and compulsory hence such foreign investor companies in mining perceives the transaction as double taxation. It is due to the fact that they pay taxes to the Government while on the other hand forking out donations of large sums to the (CSOT), (Mabhena, 2013). The government and community depending on the CSR initiating the community development has problems with the fact that the donations/aids have different capacity depending on the stages of mining for example the exploration to the closure. It is therefore intelligent of the community and its leaders to have a successful dialogue to the CSR instead of government interceding, (Mabhena 2013).

In the analysis of (Machinya's, 2014) study pointed out that, for example, the Zvishavane Community Share-Ownership Trust - (ZCSOT) discovered that the member of the community had no satisfactory information about the Trust hence the top elite garnished the funds to the pockets lining. Those community members who partially acknowledge the ZCSOT have information which is distorted or wrong leading to misrepresentation. Taking outcomes from Machiya's research, the chiefs using the power bestowed in them by the government went to the mining Companies in their areas to request funds for the Trust in a bid to advance infrastructure in their community, (Machiya, 2014). In the work of information collection to be accurate that the Chiefs got negotiated money from the Mines, on the other side it was misinformation that the Chief extorted and demanded money from the mining companies. Be that it may, the community majority believed that the Community Share-Ownership Trust is meant and owned by chiefs. Deliberately, it was the distortion doctored to make people confused and enhance the powers and controls of the Chiefs also affiliated to the top elite and government ruling party. Observing from the system the establishment of the ZCSOT causes patriotism, paternalism portraying as if chiefs are the real deal and redeemers of their people. This gave them the powers and base to manipulate their subjects and gain major respect, (Zhou and Zvoushe, 2012).

The indigenization, community trust when perceived to be a chief programme within the community destroys the meaningfulness and spirit of community participation and emancipation (Machinya, 2014). Consequently, the majority and ordinary people of a country neglect participation and meaningful role play to economic empowerment. In cases where the chiefs assigned by Government portray that they are the only knowledgeable and are the only performers in the community leads to people reliance syndrome, negligence and also may lead to corruption, (Machinya 2014). The chief pointed out to be the major beneficiaries of the inflated proceeds from sitting allowances to the Community trust causing mayhem to the people. This acts as the other major concern and barrier to the IEEP implementation in Zimbabwe, (Zhou and Zvoushe, 2012).

## **2.5 The study significance**

This research contributed to the depth understanding, evaluation as well as add to the debate whether the IEEP benefited the majority citizenry of black people of Zimbabwe as the State had recommended through the Policy. In this dimension the research will discuss the question if the IEEP addressed indigenization, empowering local indigenous people-(community) and economic development. The study restrictions are that it is only literature based, contain no field work component and secondary data. Be that it may, available comparative and analytical literature is vastly available for a substantive wide-ranging comparison and for results.

## **2.6 Conclusion of the chapter**

Going through the literature the aforementioned chapter highlighted different studies from different scholars on indigenization of natural resources and empowerment in different countries. The included countries in the literature discourse are South Africa, Zambia and Norway and evidently the following were realized.

- Zambia (absence of preparation and arrangement and lack of Economic Discipline)
- South Africa (Patronage, top elite patriotism and racialization of economic empowerment leads

to failure and disintegration of the country.

- Norway (comprehensive nationalization, efficient management, good governance and entrepreneurship, citizens buy-in leads to economic empowerment success.).

However, the BEE of South Africa project is still an ongoing project, hence, hopes of satisfaction going forward. Also, the African countries wishing to address colonial imbalance through empowerment policies should not take abrupt decisions, as well as evaluate the already implemented policies for success.



### **3.0 CHAPTER 3:**

#### **3.1 The Theoretical and Analytical frameworks**

##### **3.1.1 Introduction**

To reach receptacle search for truth and evaluation of the discourse topic, the chapter will dig deep into the theoretical analysis and framework by utilizing Bueno Mesquita's Selectorate Theory and other two (2) measures of evaluation. These will be applied as analytical frameworks in the study.

##### **3.2 Mesquita's Selectorate Theory**

Referring to the book called 'Logic of Political Survival' (De Mesquita, 2003), perceived that the Leaders and surroundings that have corruption, misery, terror and war prolong their office occupation while those leaders who command for prosperity and peace are bowed out of office within short terms. In the effort to elaborate further such singularity they advanced a philosophy/model of the 'Political Survival' which clarifies motivations to Rulers or Leaders applying two forms of characteristics of a Polity's institution/organization's;

- i. The sizes of Selectorate (S);
- ii. and the Winning coalition (W)

Based on these uncommon factors, they used them as the leading rails to see the generality of predictions regarding categories of policies rulers, leaders follow and vastly explain the compatibility of detrimental policies to countries, institutions, (Smith and DE Mesquita, 2009). The Selectorate is a group of people who are runners and have a powerful say in the election of leaders there-after receive special conferred privileges. Winning coalition is a sub-group that exercises the power to maintain office-holders keep their office barter trading for provisional advantages, (Hoogeveen, 2011).

In rendering from the Selectorate Theory, institutions depend on two (2) characteristics of the political system to select and retain leaders (De Mesquita et. al, 2003). It is furthermore, theory context that argues of two types of goods; private and public goods. Roads, winning wars, economic growth are examples of

the public goods that all Selectorate (S) members are available, (Clarke and Stone, 2006). Private goods such as prestige, power and money are wholly available to the Winning Coalition (W), (Radu, 2012).

The Mesquita's Selectorate Theory concentrates on two influences that administer leader's selection, leadership turn over, spending decisions, social welfare and taxing as well as institutional change. The theory is grounded on correlation between factors of economic growth and selecting of leaders. It also takes push consideration into the regime change, corruption, property rights, oppression, revolution and core institution of governance amongst many, (Svensson and Fredriksson, 2003)

Reflecting from the theory assumption Leaders encounter survival intimidations and threats surrounding their political power which is the primary bias of political leaders. The complexity of threats to the existing political system Leaders are prone to coups (De Mesquita et. al, 2003). The relevance of the Selectorate theory critically observes political institutions including structure of Government finances which contend against countless risks. Forces within the state political system can extend disposition to leadership removal, (Gallagher and Thacker 2008). Also, the radical mass movements in the form of revolutions which may ought to abolish prevailing systems which are replaced by inclusive and vigilant ones. The experiences of assessment to the leaders of existence specify revolutionary pressures have a road to the composition of non- democratic leaders who are dictators, (Gallagher and Jonathan, 2009).

Revelation to that, leaders who have direct access to system resources such as natural resources rents, foreign aids are known to evade political threats and are best armed to subsist. This then each and every political leader maneuvers to hang on to power, (Radu, 2012). These are accounted motivations and gimmicks used as strategy of politics for survival. The will and desire of people to stay and hold on to power is a big motivation for choice of Policies and benefits allocation. Be that as it may, those actions enforced by Political Leaders have a direct impact and influence to their desire and will to retain power, (Fredriksson and Svensson, 2003).

Rulers/leaders longing to remain in Power is the biggest priority, then that is the ground utility to retain

control of any government revenue not consumed either private good or public good. The focus of political incentives sided by institutions either discourage or encourage leaders from endorsing Economic Policies beneficial to general welfare and growth is the focus of the theory, (De Mesquita et. al, 2003). Furthermore, the theory provided facts that Political leaders are self-centered and all their decisions and actions matter much to them politically benefitting. Popularly, the wicked economic policies are not disputed as long as they benefit and extend political leaders' tenure in office, (Gallagher and Thacker, 2008).

The consequence of the Indigenization economic empowerment policies, taking a lecture from the Zimbabwe perspective has caused calamities to the country economy to present. The State as prescribed in the indigenization policy intended to create employment, grow the economy, natural resources ownership by local community, however, the indigenization programme resulted to Capital flight by investors, closure of capital banks, closure of company operations owned by white minority who refused to comply with the Law, (Ngarira, 2014). The consequential application ending of IEEP is branded with cases of productive mines being closed down, productive land farms being idle, farms becoming grasslands instead of maize fields, (Mambondini, 2014). It became known as an 'open secret' to the majority of citizens that the distribution, allocation of resources dedicated to private benefits target top elite and loyal supporters. Checking on those who acquired portions of land farms in the distribution phases by Government (A2 farms) reflect that the ruling party (ZANU PF) top officials were the majority. On sizes of (A1) farms 90% of those that were given or acquired the land were Top ZANU-PF card carrying members who got multiple of land in different provinces. Majoring did not get any of the benefits but ditched to languish in the dire fall of the economy and poverty. This then gives sign that the Administration of Mugabe conforms (in compliance) to the Selectorate Theory; that rulers and leaders in preserving their power allocate resources to their Kingship (Sovereignty) makers SELECTORATE, whose intention to continue pleasing the eye in retain of power favors.

### **3.2.1 Private benefits and small coalitions**

The referred to private benefit such as direct payments, grants of monopoly to scarce resource as well as

discriminating use of foreign aid neither vouchers will be bonded to 'essential support' (W), present to dissimilar to different political constituencies. Winning coalition systems tend to be a favorite for leaders; it gives the entire pleasure and makes survival in politics uncomplicated, (Nigris, 2014). These minor coalitions simply ease the road of leaders or their political parties to survive office occupation unavoidable. This also tends to protect them in the aftermath of failed National Policies. Moreover, leaders who are transparent, accountable to huge Winning Coalition find it completed to recollect office in the wake of failed national policies, (Clarke & Stone, 2006). Economically the large coalition politics accommodate competition, hence, competence in production of public goods. On the other hand, the small coalition politics is acutely centered by nepotism of loyalty acquisition to key patriotic groups through tenders, rewards as well as favors, (Rike, 1962).

Centering on Zimbabwe IEEP, the small/minor coalition was involved in mines and land seizing which in reality the provision realized through the promotion and rewards patriots as well as cronies. The top elite, top military officials as well as senior war veterans who were in the midst or took part in the "land seizing" employing the pretext of Indigenization and Economic Empowerment might have obtained the reward for maintaining the hidden and corrupt agenda and system (Mabhena, 2013).

As a fact, the so-called private benefit is only received by members of the winning coalition. The group weakens as the size of the coalition members increases. As a result, when the scope of the coalition becomes huge the leaders/rulers become nervous to shift their energy toward the provision of the public goods. This will benefit all of society, (Nigris, 2014). Coalition associates are lured from a comprehensive group known as the Selectorate and mix the political system that is characterized by insignificant small winning coalition and huge selectorate as found in the dictatorship rigged elections. Mostly and in particular, supporters of leaders are very patriotic and loyal since the risk cost of being left in the cold if the opposition rises to power is high, (Morrow et. al, 2008).

Observing from the coalition of small system allegiance, the standard is dominantly stronger, mostly if the Selectorate is a large group. Rulers in small coalition systems, mostly depend on the private goods to

recompense their comparatively small patriotic, partisan supporters. Relating to the above, for the sake of those showing loyalty in the coalition is higher to those that are outside the box of coalition, (Riker, 1962). The fact relatively means that though the challenger will offer a convert/defect at present, the members in the current coalition are reluctantly not willing to defect due to the reason that they may be excluded in the future private rewards. Experiencing such status, the elimination is severe when the electorate is large (Hoogeveen, 2011). The situation where the coalition becomes extremely big, thus also means increasingly expensive and problematic to the leaders to reward the coalition with private incentives. It is when therefore, the leader diverts towards the provision of public good (Morrowet. Al, 2008). Focusing on Zimbabwe, forces from vast elements emerged from the context of diverse economic situations and scripted, as the early development of mining in Chiadzwa diamond farm. The openly discovery and grabbing of the alluvial diamond mines in the year 2006 led to violent killings of black indigenous people and expulsion of villagers in their local community as well as illegal miners. When the ruling party ZANU-PF aligned Security forces unleashed live ammunition to the majority of citizens who were unnamed but, empowering themselves in the diamond mines, ascertained a control of the area by top party and top government elites, (Mabhena, 2013). It is argued and barely open to the knowledge of black people majority in Zimbabwe that the diamond discovery occurred at the spin time economic crisis on its worst turn as well as the political crisis that was of legitimacy rigged election nature associated with the ruling ZANU Party in the previous national elections, (Saunders 2011). The top elite of ZANU-PF officials took the diamond mining into form of personal private business while secretly extracting diamond, criminally sneaking off the diamond stones to foreign countries, chasing of local communities that had existed legally in that place since time immemorial, sporadically and aggressively displacing them without compensation to date. Them claiming mining rights through the corrupt winning coalition ministry of their counterparts, (Saunders, 2011). The national treasury lost billions of United State dollars.

Leaders are interested in patterned self-centered gains, enhancing their own welfare and sought to produce things their supporters want. In reality the supporters of the elites tend not to be photocopies or shorthand of what the state citizens are. Generally, there is a coercion belief within the Majority of Zimbabwe that the ZANU-PF government could not have the audacity to evict the land grabbers who are the war veterans

occupying the farms which are deemed idle. This is due to the fact that they made a sordid crucial power of the presidential campaign taunting the motivation in the year 2002, (Masiiwa, 2004). Referring to the then Chief justice Gubbay, former Minister of Information and Publicity criticized for being biased after presiding over the Commercial Farmer Union Application on negative remarks against land reform programme in the year 1991, (Moyo, 2005). Rendering from the same thought, researchers have with registered great concern and noted that FTLRP was injurious to the economy as it was done haphazardly and unplanned combining with violent manner. Because of farm seizure it created mass Capital flight, massive unemployment, damage of infrastructure and agricultural production stall, (Marongwe, 2002). The reaction failure to the days of the Administration of Mugabe in the whole glaring of negative results is also one of the critical behavioral points that leaders principally are self-centered, self-interest towards their political survival. Vividly, if the action and motivation coincided compatible with the citizenry the benefit and take advantage but rather if not, the leaders are most like to select their personal welfare and sacrifice that of the society at large, (Feng, 2003).

### **3.2.2 Selectorate Theory Support**

It is the convention assumptions that the **Selectorate Theory** are braced by the **Elite Theory**, which proposes that the universal and resident communities are controlled by giant organization's such as Governments, States and the future of them is under their influence who decide into their future. Elites comprise of military leaders, top businesses, government and other privileged politically powerful and hierarchical designs and arrangements, (Pakulski and Higley, 2008). It is of certainty that these conclusions impact the steadiness and instability of Political regimes, political institutions mechanisms and systems, main policies as well as the national governments, (Burton & Higley, 2006). The relevance of elite just as the selectorate comes up with small assortments of organization or citizens that take control of huge quantities of power resources. The mentality of such groups or organizations is continually searching for distinction which becomes a dimension from rest of the communities and societies, (Alasdair, 2010). In general, the elite had a concept theory which analyzed the assortment of people in control or who sit at the top of powerful organizations within a state or society. These elites came up

throughout the evolution of humanity history, (Higley and Pakulski, 2008). Quite a lot of groups have continuously sought social resources in-order to express specificity in societies. Also, political elites have used or exercised different powers and abilities to control the resources over the mass of a society hence, retaining power over the state, (Vergana, 2006). As the studies by (Saunders, 2010) reveal that the mining of alluvial diamonds in Chiadzwa, Marange, was criminalized by those politically connected, security and private business elites. It is his diverse observation that the political need for merging and elite buildup occupation to the alluvial diamond field, fueled an excessive danger to the viability of the Zimbabwe in rule Government of national unity then, (Saunders, 2010).

Relying to the literature of gurus that the 'elitist doctrine' it is proven that those societies exist, they make decisions and mostly resolve on who fits what and where and how, hence prescribing what ought not or to be done. This drives to the fact that the elites occupy positions of authority where decision and control is exerted resulting in them having direct influence to critical and crucial national Policies in the society, (Vergara, 2006). To beef up, the elite theory of politics denotes the societies into two (2) groups;

- i. the top elite minority that has power and exercise it over masses
- ii. the mass that is governed or ruled by the minority elite, (Alasdair, 2010).

The advocates of the Elite theory argued in line with the fact that though Elites have diverse interests and needs to the majority, which has a direct hand to the political decision that is from Top to bottom and bottom up. The elite access to the Capital and Assets gives them the power of guarantee to the industrious cultural and social standards relating to the ruling class, (Higley & Pakulski, 2008). Diversely, political elites have the power to maneuver and transact with the shaping of political arrangement as well as power institutions. Be that it may, the elites as well as they represent seem to relate as they always sought to continuously regulate government, (Vergara 2006). These instances drive the elite to formulate restrictions and strong regulations to retain power as well as prohibit political rivalry. In so doing, the elite encounter a dilemma in their political will, representation and exploiting the self-centered desire and interests. ((Higley and Burton, 2006).

### 3.2.3 The cognizance of national drawbacks (race- unity and struggle)

Stretching the research to in-depth understanding, the challenges status addressed by De Mesquita's Selectorate Theory seem to connect with Fanon's bourgeoisie, the (Franz Fanon's) views in the book "*The Wretched of the Earth*" that enlightens the roles played by state in controlling national resources. The views further brought up on the front concerns of recent independent countries in Africa that those leaders in power tend to dominantly construct authority in accordance to self-centered needs and power clinging, (Gumede, 2012). Such class motives are prone to be inseparable to discourse along economic and political mechanisms. A classical group of interests tends to appear where it's endorsed in the appellation of national objectives. Referring to Fanon's argument, the bourgeoisie can be equal to the Selectorate since it takes charge of great power and advantages in private goods, (Moll, 2002). Furthermore, the thrust claim reveals that the Economic independent has a generality adoption by nationalists' aspiration, however such partisan National rulers promote economic pot through indigenization. It has come open that the attempt by African leaders to indigenize has come in two different forms; that is

- i. transfer of foreign owned asset to local owners;
- ii. state nationalization/state participation in the possession-(ownership) of the so productive property- (companies and Natural resources-(Capitals)

Be that as it may, the effort and recourse of the IEE in Africa invokes dissolution of the economic class of dominance, (Fanon, 1967).

Relating to the objectives of bourgeoisie which were hammered to be National, it has shown dense support of the mass's conscience using manipulation of independence. Leaders questioned thoroughly on the development of their state; they became evasive and did not care about the state economy of their own state. The only move and answer is about the indigenization and economic empowerment with a state economy in the trading sector only, (Moll, 2002). This then come to a point in meaning to them that the nationalization means or does not entail a service of the nation and sustaining the request and needs of the



nation, but, it's only about the movement and transfer of assets owned by white minority to the indigenous people as a means to correct the colonial imbalances which were unfair treatment, (Gumede 2012). Nevertheless, Zimbabwe land distribution and mines seizing was a majority support in deep feeling, realizing that Africans were denied the ancestral fruitful homeland as well were disposed of productive land in the era of colonialism, (Mamdani, 1996). Nationalization demand was announced immediately the bourgeoisie got hold of the independence, (Fanon, 1967). It is through rulers various practicing schemes, that they managed to make their own and clean sweep the previously settlers owned farms to private benefits as well as reinforcing the move thereby collecting to personal use the nations resources, (Moll, 2002). This is evidenced by the Zimbabwe Fast Track Land Reform Program (FTLRP). The top elites who grabbed the farms in the time of the program did not introduce productive and employment creative methods. This then failed to integrate the farming system to an important national economic development, (Masiwa, 2004). Today and as previously from the days of seizing from foreign settlers or so-called indigenization empowerment those elite that benefited from the land ownership still insist of requiring hundreds of timed privileges of facilities such as command agricultural inputs, infrastructure etc. the mistreatment of worker in agricultural and mining sector continues to diminish but, the government continues to legitimize it, (Mamdani, 1996).

In the aforementioned (Fanon, 1967) book, it noted that the bourgeoisie has no motive and will to modernize the agriculture sector as well as zeal to develop the initiative of building since they require minimum risk and maximum profit. The purpose of their national control of state resources is to have solid investment and quick returns but, neglecting building the nation in the process, (Fanon, 1967). It is evidence in Africa that the enormous profit the elite gain in natural resources is never reinvested in the country where resources are exploited. The only mode of show is that has come to light in the elite displaying large sums through expensive cars, countless country big unused individual houses and those things that bourgeoisie considered under-development as well by economists.

Numerous researchers in Zimbabwe have maintained that the indigenization Economic Empowerment implementation was fraught through pragmatism, the mindset of leadership that lacked the ambition to

Economic advancement and modernization, corruption and negligence to innovation and creativity, (Ngarira, 2014). Revenues from proceeds of national natural resources supposed to fund national treasury for national development has usually been channeled towards nonproductive current assets and liabilities such as top elite vehicles (range rovers, Prado's etc.), exorbitant condition of service products as well as speculative private deals. This has transpired in the face of dying farms, irrigation systems facilities, factories closing, no re-investment or investment as well as unknown quantities and location of the natural resources restricted by availability of capital for exploitation, (Ngarira, 2014). The overall underdevelopment with the country has resulted from the few politically placed elite that have love for luxury, money and power. Compulsorily, the bourgeoisie motive was versed in looting and self-satisfaction in the mishap of country drowning and stagnant formation causing dire economic depression, (Gumede, 2012).

### **3.2.4 The Selectorate Theory criticism**

Theories have been great insights to all researchers and scholars. Well taking the learning from the Selectorate Theory that has divulged the political power of the leadership there are two (2) forms of leadership that come out. Initially the Selectorate Theory, though improved by Bueno Mesquita and Smith, has shown unconcerned boldness to the unfranchised groups - that is those not encompassed alongside the selectorate. The unconsidered SELECTORATE tends to represent nothing in the selectorate theory's fundamental model, (Fredriksson and Svensson, 2003). The Theory results that are realized from the unfranchised groups is that their power arises from refusal to Taxes paying where their core interest lies in leisure than work. That's if interest rates increase. This then set a ground of no threat to the political leader's political survival and existence.

Viably, there is no pointer to the revolutionary existence from such unfranchised groups in the Theory, thereby setting a gap of explicit predictions that a low public good providing is low in policies which the winning coalitions are small or minor, (Feng, 2003). Nevertheless, in analysis it exposes that autocratic behavior of leaders is traded between the cost of repression to the provision of public goods. Be that it may,

referring to the Acemoglu and Robinson book *'The economics origins of dictatorship and democracy'* scrutinize that enfranchised groups have the danger of revolutionary regime change. Specifically said;

*"The main delinquent faced with those that control political power is the risk of excluded groups that may try to gain political power or to overthrow those who are in control"* (Acemoglu & Robinson, 2006).

The possibilities of uprising are the major threats to the rulers in the process of formulating policies that have bias towards their benefit and self-centered interests. It is therefore, a true construct that the rebellion moves for change if it has the power to move leaders into compromise and is geared toward incorporating needs and wants of the enfranchised groups in the formulation of national policies. As argued by Acemoglu and Robinson's opinions, the correlation between excluded groups/citizens versus the elite surpass the arguments that Selectorate theory advocates concerning problems of mass action and revolution, (Morrow et al., 2008).

Pointing out to the Selectorate theory the Public Goods are composed in two selective groups; Firstly, the economic advance productivity is in public goods such as health care, infrastructure, education etc. Secondly, government transparency, the range of political freedoms in freedom of speech, assembly and press are the public goods that are simply the cause. This concludes the sense that the groupings are the "main" public goods, (Gallagher and Jonathan 2009). So, in the model challengers and Leader's policy choice is poised to the public goods of aggregate level of all types. De Mesquita et.al has not distinguished the two (2) categories, hence, the Selectorate theory does away with policies that the leader's motive is to provide programs that have to deal with economic and growth welfare assortment to repressive politics, (Gallagher and Thacker, 2008). Additionally, through the means of defining public goods establishment as not only encompassing health care, infrastructure, education, but political liberalization: the Theory enacts the impractical policy choice of Leaders. However, although the idea of this gives precision to the model's prediction in that small-coalition politics does not deliver growth-oriented policies nor public good the theory lives the unexplained outcome to countries like China, South Korea, (Kohli, 2004). In China and South Korea, the developmental policies and vigorous economic growth garner the majority support while

they are suppressed. Thus, the model rules out a critical series of policies in response to the combination of enhancement of economic welfare to the repression measures, (Gallagher & Jonathon, 2009). Appropriately, in spite of the critics to the Selectorate theory it suits the study as it in-depth provide a useful conceptual framework that will assist in the analysis of IEE in Zimbabwe. Taking into consideration the rationale of the theory, the assumption that the government's decision to take-over industry, mines and land previously owned by minority settlers and redistribute among indigenous citizens is determined through the political coalition size and keep the leader or ruler in power. (Saunders, 2007:pg18) claims that;

*Zimbabwe leaders provisioned the emergence of top elite-driven, grabs of land, unscrupulous asset seizures, instead of enunciation of a policy quest to the sustainable delivery of strategic production into transparency and accountable hands.*

Basing on this, the Indigenization Economic Empowerment (IEE) policy is critical to the nation but, in the process of implementation of the policy those politically connected elite and patriotic ruling party ZANU PF loyalists who are party card holder gained more at the cost of majority citizens, (Mabhena, 2012). This has become a set to the state command policy motive.

### **3.3 Analysis/Investigative Framework**

Evaluation can be defined as an assessment, methodical and unbiased way to investigate a continuing or a complete programme, project or either a policy with its design, the implementation as well as the outcomes, (IOB, 2006). These evaluations are focused with a motive to determine objectives completions, effectiveness, sustainability and impact as well as development efficiency, (Brownson, 2009). Policy evaluation uses a variety of study methods to thoroughly investigate the implementation, effectiveness, policy interventions and the process that regulate its value, merits and worthy with a focus on socio-economic circumstances comprising immense stakeholders, (Rogers, 2012). Therefore, the evaluation of policy is categorized in two groups that is;

- i. Summative
- ii. Formative evaluation

It has been of long-established that evaluations should begin as the program takeoff until the implementation has accomplished with a purpose to inaugurate information viable to the program improvement and accuracy, (Patton, 1994)

### **3.4 Summative Evaluations to projects**

The summative/collective evaluation has the power to justify the worthiness of the project as well as the merits. They also interpret the range to which the specified goals have been achieved. Also, to come up with the expected need can be ascribed to the intended invention. Furthermore, the condition goals attainment are considered and know whether they would affect generalizability. In Formative it is the components, aspects and results that are linked to the program. Nevertheless, the quality implementation, progression or attitude of stakeholder is measured through the formative evaluations, (Scriven, 1967). Theoretical distinguishing was suggested by (Scriven, (1967) explaining the major evaluation functions;

- i. **Formative:** promotion of enhancement and improvement of evaluation functions,
- ii. **Summative:** determination whether the programme did achieve intended objectives

The purpose of evaluation is to give required feedback to the policy implementers whether to proceed, increase the policy or accept the program (Worthen, et. al, 1997). Then that stands to say the summative evaluation gives a distinctive possible assessment at the end of the program operational cycle.

Formative evaluation captures the initial summative assessment by program and feedback processes improvement, strength and limitations that collide in hindering implementation of program success, (Scriven, 1967). The innovation by Striven gave a vivid difference between summative and formative evaluation that the, ‘formative evaluation is getting prepared for the summative valuation’, (Scriven, 1967). Successively over years the formative evaluation has extended to include the evaluation whose key purpose is to progress the impact of programs where the focus of the improvement comes to the desired outcome, (Brownson, 2009). Advancingly, some contend that the formative evaluation is maintained under the

shadow of summative evaluation and considered as inferior at the beginning of the program assessment whereas formulating the original: summative evaluation. The stages and progress of the program is done in the summative evaluation phase as well as the ending of the program whilst deserted during the formative evaluation stages, (Striven, 1994).

Summative evaluation regularly denoted to impact evaluation inquires important questions such as; what impression, does a policy, if any programme or any other critical interventions by government partake in terms of precise consequences for diverse groups of people? (Stern, 2012). This then means that the formula purpose is to aim on the estimated impact of the policy, judging the envisioned objectives or either to compare the policy to other interventions and quantify whether the policy has improved the standards of living for the public masses, (Parsons, 1995).

Impact evaluation assesses the subject intervention being evaluated and how it affects the outcomes. To see if the effects are of the intended or unintended. It is there that the 'Impact Evaluation' will be used in this research to have an in-depth understanding of whether the IEEP in Zimbabwe had a welfare effect on individuals, society, households. Also, this will then be attributed to the formulation of the IEEP by the Government of Zimbabwe, (IOB, 2006).

### **3.4.1 The Formative Evaluation**

Formative evaluation is chiefly utilized on the continuation, in mid progress assessments. This is to give feedback to the implementers in a motive to give scope in making variations, modifications to ineffective aspects of the intervention for adoption, (Agency of Healthcare, 2008). So, bonding to the findings, the Formative evaluation is to determine whether the project has to be modified or revised. Neither way, the Formative evaluation is key to the preplanning for policy design before implementation termed 'Developmental component', (Stetler et. al, 2006).

The strength in the formative evaluations is that it gives opportunity for consultation to the stakeholders

when the process of policy formulation is taking place, during implementation. This gives an opportunity to identify irregularities as well as catching the intended effects. This then assists in the modification, if need be, (Agency for Healthcare, 2008). The implementation of multi-layered interventions to the Zimbabwean settings of economy is an intricate task. This is an uphill task for researchers to clearly understand precisely *what* ought to be implemented while finding the best way *how* suggestion intervention can be employed, which factors tend to block or relieve the implementation process. This gives the basics of *why* a policy failed or worked when implemented. The formative assessment guide with clarity information regularly on the other hand inversion being implemented. There are four (4) components of conceptualization (Stetler et.al, 2006) hinted at intervention stages that is; (before, during, end and after). Furthermore, (Stetler et.al, 2006) reasoned to the fact that there is other three (3) component to formative evaluation as follows;

- i. Implementation focused analysis
- ii. Progress focused analysis
- iii. Analysis of interpretive data.

This is dissimilar to summative evaluation where the formative evaluations utilize the aforementioned components to send back information to intervention implementers. This uses a constant frequency, intensity which help in changing the intervention itself. As during the process of intervention, the combination of implementation and analysis deliver an understandable assessment of the intervention, (Patton, 1994).

The *implementation-focused* analysis- weighs inconsistencies sandwiched between implementation and the execution approach, (Agency for Healthcare, 2008). This consists of identifying brand new intervention components, implementation plan, insinuation to the adaptation reliability and their nature, identifying barriers and also refining the original strategy, (Stern 2012). This is the handy instrument to the potential success and critical details necessary in times of repetition implementation plan to other settings. Constantly, the information can be gathered from the focus groups, direct observations, semi structured

interviews with stake-holders, structured interviews- questionnaires as well as site observations visits. Additionally, the documents reviews and Management Information systems - MISs are cozy, (Agency for Healthcare, 2008).

Valuations of intervention impact to a policy are mostly performed by comparing the effects of intervention practices to the past policies to come up with an establishment that the intervention is achieving the goals intended and their cost and quality, (Patton 1994). This is when the implementation phase completes the “*interpretive data*” initially collected and a long phase of implementation is produced. This allows a hypothesis revealing whether the intervention worked or not, (Worthen, et. al, 1997). It is domineering to include the stakeholders’ views on the efficacy and status of intervention, the hindrances to successful implementation. This then will grind the recommendation to refine better the implementation process, using the interpretation of the formative data helps prospects to maximize learning from implementation efforts then refine the lesson for potential projects, (IOB, 2006).

### **3.4.2. Formative Evaluation advantages**

The chief progressive motive of the Formative approach is that it inspires the midstream alterations to improve the intervention instead of taking a seat ‘hands-off’ approach for the sake of research objectivity. Generally, if the information is provided in the early stages improves intervention hence the power of success in implementation will be realized thereby focusing resources more efficiently, (Worthen et.al, 1997). Be that it may, in progress formative evaluation with its diversity of interventions, is predominantly valuable to aid a wide range of complex intervention which therefore is a possibility to implement each intervention component interacting to another. Resoundingly, it is possible that the providers use constant formative feedback continuously to deliver complex intervention, (Agency for Healthcare, 2008).

### **3.4.3 Formative Evaluation limitations**

It has been of concern to the researchers that formative evaluations are problematic as they are resource



intensive, time consuming as well as the requirement of constant data collection, reporting and analysis. Moreover, it requires swift adjustments of intervention effects. Considerably, it is rigid to establish the period which the intervention materializes to the results. In the case evaluators scrutinize that time-frame of intervention the foreseen effects slow down the collective effects of different variants of intervention over-time and not in specific sections, (Striven, 1994). It has been known that the formative evaluation is provisional in nature where results must be subtracted in context of program implementation. Which is a rather comprehensive evaluation of program efficiency and accomplishment. This is for instance, evaluation performed midway the program could show unfavorable results, but the effects become favorable after assembling the summative information in the long run, (Stern, 2012).

### **3.5 The conceptualization of implementation**

Policy Implementation incorporates actions by private individuals or groups, public officials, which activity is directed towards achievement of set objectives preceding to policy verdicts, (Van Meter and Van Horn, 1974 pg. 447). There is a critical aspect to ask in Policy implementation that is; Why did it happen? Moreover, implementation may be observed as the political process that emphasizes how, when, where, from whom and who gets what? (Graciano et.al 2003). It is there that policies are at intervals altered to match concurrently objectives and resources. Therefore, the implementation strategically adjusts objectives to fit resources, organizing new resources to add up in achieving old objectives, (Weave, 2010). Agreeably, implementation stands as vital to carry and accomplish policy objectives through the planning in order to realize the desired outcome achievement, (Weaver, 2010).

### **3.6 Successful policy implementation**

The positivity (successful) of policy implementation is accredited when the intervention conveys its intended and desired objectives outcome, (Australian National Audit, 2014). It is therefore, the confirmation support evidenced by (Giacchino and Kakabadse,2003) who divulged that policy implementation is termed to be successful if the terms of reference are met and addressed. This comprises factors such as full collection of data and the circulation of informants as required. It is then, therefore, that

a policy should be supported fully by all stakeholders who are committed, which means that the larger the audience the more diverse the ideas. In that context, it results in the fact that policy is a success rather than being in a line to cater for the interests of a few groups. The stakeholders should be ensured that they are properly defined hence, the policy spread will withstand and forward social integration. It is critical to appropriately manage the complete stakeholder affected therefore, it means the successful implementation, (Australian National Audit 2014).

Policies coded 'interventions' should be easy to understand, theoretically sound and straightforward in addition, targeted groups must be clearly stated, (Hayes, 2001). It is discipline to basically designate who does *what, when and how*. Also, those officials and leaders who ought to be responsible for the policy implementation should be skilled and have experience. This will add to effectively coordinate elements of different dimensions on the policy, (Brnyard, 2005). Planning is critical in policy implementation which will assist in circumvention of unintended consequences that may distract new policy to benefit communities. These strategies should be in a position to evade or deal with challenges which hinder policy success, (Australian National Audit, 2014). A possibly positive and good policy if badly implemented may not accomplish its objectives. Forwardly, financial assistance is critical to the intervention in accomplishing its intended goals, hence, be a requirement. The legislature, advisory groups have an impact to monitor and supervise the new policies formulated to conform to the principals, (Hayes, 2001).

Barriers never cease to irrupt time immemorial and new policy implementation is not an exception which then weakens its effectiveness. The letdown of third eye to predict problems to implementation may lead to superfluous costs and political counterattack resulting in policy failure, (Weaver, 2010). Administering programmes effectively and economically lead the State ability to have successful policy implementation while avoiding failure. Be that it may, Zimbabwe barriers that hinder successful implementation of the IEEP has been identified as partisan, top elite coalition, political interference, corruption, administration failure to take midway evaluation (progressive evaluation), individuals grabbing public farms and resources without accounting, Lack of inputs, flight of Capital, closure and disappearance of Companies, (Sibanda, 2013).

### **3.7 Chapter Conclusion**

Thoroughly, the chapter has deliberated on the theoretical framework of the research. In this section discourse, the Selectorate Theory applied to the Zimbabwean IEEP has been intensely analyzed. Furthermore, the Selectorate Theory in comparison to the suppositions of political behavior (Fanon's bourgeoisie and Elite theory) have been thoroughly examined to form Conceptual framework that has super depth of shearing apart the complex policies such as the IEEP. Moreover, the chapter dealt with the analytical framework which encompass the summative evaluation, formative evaluation and implementation. Be that it may, the directional procedures of assessment were done on the IEEP of Zimbabwean. The criticism of the theories was put to the deck for analysis which they are unequivocally irreplaceable in understanding the IEEP of Zimbabwe to the present study. The following section will positively filter into the legislative framework of the IEEP of Zimbabwe.

## **4.0 CHAPTER 4.**

### **4.1 The legislative framework for Indigenization Economic Empowerment Policy (IEEP) In Zimbabwe**

#### **4.1.1 Introduction**

This chapter will stroll to the bottom of the legal and Policy frameworks behind the IEEP in Zimbabwe and drill through its history and basis while digging the critical roles played by different pressure groups. The Fast Track Land Redistribution Legislation will be the point of discourse in conjunction with factors which led to war veterans enacting part in the invasion of land farms. In the after midst of the chapter the IEEP and Challenges/problems associated with it be discussed in depth.

There have been several legislations in Zimbabwe since its 1980 independence from colonial inequalities and bondage. Be that as it may, the country has had foreseeable accomplishments of legislation that comprises social sectors, part land reform, and other professionalisms such as accounting and law, (Raftopoulos, 1996). Nonetheless, a blind eye from the Lancaster house conference deals set between Zimbabwe and the (Great Britain-who were colonizers) that lead to independence were left untouched, which is the indigenous ownership of manufacturing, transport sectors, construction, mining (natural resources) and tourism and land returning, (Masiwa, 2004). In 1998 in the months of February Zimbabwe came up with an Indigenization policy framework first of its kind that led to the Establishment of (NIT) National Investment Trust of Zimbabwe). The main privy of the framework was to make black majority of Zimbabwe involved in the matters of mainstream Economy, (Machiya, 2014). Furthermore, the guidelines of the 2004 implementation amendment of the Revised Policy Framework for Indigenization of Economy (RPFIE) were put on the table. The RPFIE led to the formulation of the IEEP Policy in question to this study.

The surpass of two decades after independence found the government beginning to address with contention the redistributive policies in as many among them. The renewed interest in the wake of elections 2002 (used as campaign weapon) instituted the Fast Track Land Reform Programme, (FTLRP, 2000) and later on the move to indigenization of Foreign owned companies in 2008, (Muzoroza, 2010). The policies and

legislations mooted for “Indigenization” have existed in Zimbabwe then from 1980, though the word Indigenization and Economic Empowerment Policy (Act) have first appeared in the discourse Policy as first in Zimbabwe, (Makwiramiti, 2011).

#### **4.1.2 Indigenization economic empowerment background in Zimbabwe**

Zimbabwe in 1990 implemented ESAP - (Economic Structural Adjustment Programme). This is when the indigenization of locals of Zimbabwe gathered its momentum under a major political dialogue where the black people were pushing their welfare so as to pave way not to be marginalized in the ESAP, (Machinya, 2014). This was followed over by the IBDC- (Indigenous Business Development Centre. The powerful black politician and bureaucrats were on the forefront helping the government to lobby IBDC frantically whose major aim was to garner support in the promotion of black business people. This was done through a line of policy reforms as well as through the availing of resources with a preferential privy, (Raftopoulos, 1996). For the move to be successful they intended to use financing/banking institutions to fund black entrepreneurs at a premium low interest rate. Finally, but not least the demand for land redistribution was challenged and thrown into the ring to promote black people primarily focused on the agricultural sector, (Chowa, 2011).

(Moyo, 2000) alluded that the IBDC created an impact as an ‘*Entryism Approach*’ (*entryism tactics*) to politicization which can further be devoured as within the inside. The compatriots’ comrades of the programme were the members of the legislature, Top ZANU PF ruling Party, and the business tycoons of the private sectors. This led the IBDC lobbying to the day’s government Agenda as Indigenization, (Moyo 2000). Furthermore, the lobbying for positions in Government from the IBDC created the ultra-faction in government politics. Movementally, in 1995 when a cabinet reshuffling took place the members of the IBDC were privileged to the Deputy Ministers portfolio in Government, (Raftopoulos, 1996). Falling to the strategy of IBDC, it became logical to the organization since its goals relied on government intervention. Yet, when the IBDC shifted its concentration to the government it lost its grip to the democratic structures followed by struggles in succession plan structures, hence, its membership was not

distinct, (Raftopoulos, 1996).

The IBDC proved to be unstable though its course of life and failure to make impact on the part of the Government on indigenization programme resulted in the creation of a new association called the AAG- (Affirmative Action Group). The for-mention group strategy was to align itself to the ruling party's nationalist philosophy, (Chowa, 2013). The same challenges that befell on IBDC also squashed the AAG because it had no vivid membership base as the information was in clinched to the leadership top elite. The mission and vision incorporated in the IBDC Charter and AAG were similar which created tension to have a closer alliance of the ruling ZANUPF party. In 1995, another organization called the NRDB- (National Reconstruction and Development) that made IBDC and AAG affiliates to it was formed, (Moyo 200). This was done to neutralize tensions of potential organizations with a purpose to bring the business people and politician Black economic empowerment through Policy and Legal Framework. The key mission of the NRDB was to be the overall wing to deal as an independent organization divorced from the two indigenous pressure groups and ruling party, (Raftopoulos, 1996). Be that it may, the NRDB's efforts to bring the formidable organization together fell on deaf ears as they vied on different goals, emphasis, and divergence in lobbying strategies. The directed efforts of NRDB and AAG were dwelling on deregulation and state subsidies but the main idea of AAG was on Control and Redistribution of white-owned wealth, that is in the form of farms, banks, mines etc. (Sibanda 2013). Reflecting on the IBDC inattentive idea was Indigenization and empowerment concerning fighting unemployment by establishing new black business not on taking over the white owned businesses. In the passage on strategies the IBDC further changed its viewpoint through orchestrated super divisions by the ZANUPF ruling party aligned business people and officials who had a motive of self-centeredness concerned to self-enrichment, (Raftopoulos, 1996).

Vivaciously acquainted from the above prefix the need of Economic empowerment for the Zimbabwe black people rose in the years of 1990. This is observed through the creation of pressure groups composed of IBDC, AAG in 1994, (Chowa, 2013). This tarried movement of lobbyists groups were spearheading for the government to tackle the colonial twisted ownership of natural productive assets of the economy whose 80 percent was private sector foreign owned. Reverting in the aforementioned the formation of the NIT-

(National Investment Trust in 1996 by government acted as the warehousing of shares for Zimbabweans indigenous people, (Sibanda, 2013).

### **4.1.3 The land redistribution programme**

Through the Conference broker of independence in 1980, the Lancaster House Constitution of 1979 protected against the compulsory acquisition of land after ten years of independence had passed by. It was the construction of the constitution that the government was to acquire land through a willing buyer willing seller. This meant that the Government had no option than waiting for the willing buyer principle. That meant the white farmers had to put their colonial acquired farm up for sale and if not, there was nothing to be done. Openly, in a series of trials and efforts to speedy land acquisition processes, Zimbabwe made alteration and amendments to the National Constitution in respect to Land Acquisition act, (Moyo 2000). In circulating circumstances, though amendments were operative on calling for obligatory purchases, the fundamental of the Land redistribution approach between 1980 to 1997 persisted as market-based, (Marongwe, 2002). The new legislative peace of policy in constitutional framework that was pursued along the Land acquisition act of 1992 implemented as set in the principles of the amended constitution. Thrice in the 1993, (Moyo, 2000) constitution was amended to suit requirement to take land. Despite such improvements to the constitution no registered resettlement was achieved to the Landless people. On record, 400 farms were acquired by government, unfortunately, the majority of them were grabbed by senior ZANU PF ruling party elite officials, (Masiwa, 2004). Restlessly, (Sadomba, 2011), majority of Zimbabweans argue that the government in the first 20 years of independence should have done justice to the colonial injustices.

### **4.1.4 Numerous National Constitution amendments**

In the year 1980, Zimbabwe's independence, the constitution designed by colonialists in section (16.1) had no option of compulsory acquisition of property, yet scribed that the procurement should be on willing buyer vs willing seller basis. Moving a decade forward in 1992 land acquisition Act approved the compulsory of land acquisition for resettlement, (Marongwe, 2002). By so calculus, the introduction of the

Act swept the property rights of minority white landowners while naming the target areas for initiation. As the two decades reached from 1980 independence, that is in the year (2000) the government the Administration of Robert Mugabe decide not to compensate the land unless the British Government agreed to fund the process while the Zimbabwe Government accepted and agreed to pay willing the development or infrastructure done on farms and not land itself, (Manjengwa, 2013).

In its move to land redistribution, Zimbabwe under the compulsory acquisition act targeted such land as;

- Land owned by white minority who has multiple farms at the same period
- Underdeveloped land by farmers and lying idle
- Run-down/dilapidated land
- Land owned by absentee farmers at the period of redistribution and/or foreign landlords
- Productive land located near communal areas and urban surroundings (Masiiwa,2002& in 2013)

The agenda of compulsory acquisition of land was the corporate focus duty of the Central Government. The Provincial and District structures carried out exercise to physically identify land proper for resettlement and it was headed by the Ministry of Lands, Agriculture and Rural Resettlement (Moyo, 2000). To that code of arrangement willing seller willing buyer, the land redistribution after its first phase of 1980 to 1997 took new dimension of the second phase known as the “Land Reform and Resettlement Programme Phase 2 – (LRRP II)” in June 1998. Further to the discourse above the 2000 Constitutional Amendment and Land Acquisition Act chief focus was to implement the latest put down land acquisition measures (Manjengwa, 2013). The new-fangled developments gave government a self-rule that gave them authoritative pace and framework for the land distribution that had a parallel dimension from the Lancaster House Constitution restrictions. By doing so, the process - (new provision) was blemished through legal battles that caused slumber to the fundamentals of land acquisition resulting to be unwieldy and costly. The cause made a halt of plans and slight stoppage to the land redistribution in 2000, (Moyo & Marongwe 2000).



#### **4.1.5 Impediments of land acquisition act of 1992**

Neither the orchestrated land redistribution in its initial stages had positive, chronological plans as well as lawfulness the days government unsuccessfully not completed the conventional set targets. Additionally, the government's motive to conquer land imbalance that happened hit a rigid wall in pursuing the land reform policies. Taking for instance the fact that it was the government's plan to purchase 8.3 mil land hectares and resettle 162 000 families in the period 1980 to 1985 but, primarily managed 60 000 families, - (37% of target.). Further 1985 to 1990 managed 10 000 families, - 20% of target), (Masiwa, 2004). To the cause of the land redistribution programme numerous donors offered funds for citizens resettlement programme reform. Taking view of the trendy land reform programme the British government in 1983 provided 40 million pounds to the government of Zimbabwe for Land reform determinations. Organizations such as the United States Agency for International Development-(USAID), European Union-EU, world bank established a willpower to support Zimbabwe land distribution program, however, the support remained minimal to the impact, (Mwatwara, 2013).

The programme of Land Acquisition Act in the year of 1992 ignored the consideration of consequences and impact to the farm workers and provision of people in the urban areas. Additionally, the proposal of land reform neglected the possibility of farm workers being beneficiaries to the land but maintained the status of employees, (Moyo, 2000). A farm worker conference of September 1998 of an inclusive resettlement scheme yielded no results in addressing their concerns, (Mwatwara, 2013). Using the circumventing gimmick, the responsible personnel directed them to approach chiefs, headman, local councils and register for resettlement, linking them back to unproductive land or to be resettled via rural areas. The challenges were that the farm workers were either at the farms left there by fore-fathers and lived there since time immemorial or migrants from neighboring countries deeming them unconnected, (Sadomba, 2011).

Even though substantial land was available on a willing buyer willing seller basis, those several commercial farmers were abandoned in the period of the Liberation struggle, the initial programme implementation of

land distribution met with numerous limitations, (Moyo, 2000). The land demand from majority citizens became overwhelming while unavailable on the market. No funds were available for the land reform program which promulgated to the FTLRP introduced in the year 2000 that chief aim was to accelerate the process of Land Acquisition, (Mwatwara, 2013).

#### **4.1.6 The Fast-Track Land Reform Programme itself, - FTLRP**

The year 2000 February was motored by *invasions* which were commanded by the liberation struggle war veterans and the landless black people which was a violent approach of white farm owners and black farm employee's removal from big commercial farms. A thousand farms by the end of March 2000 were grabbed in the violent method, (Njaya & Mazuru, 2010). These invasions popularly referred to as *jambanja* (force) were led by war veterans who had the expertise in soldierly movements, strategies and close association to the ruling ZANU-PF party. These veterans organized unemployed youths consisting of rural landless, those landless chased from farms as employees and those in towns landless to participate in the operation to invade farms, (Amnesty International, 2014).

In spite of the frontage being community-driven, the majority of scholars and intellectuals including some worldwide believe or argue the occupation of farms was a push by politicians. The transportation of invaders used military vehicles and government vehicles in the process of different farm occupations, (Amnesty International, 2014). Joseph Chinotimba, currently a member of Parliament in Zimbabwe (Behera North) and Chenjerai Hunzvi (late) soldier and political activist, led the FTLRP.

The FTLRP took place without any legal patronage. The progress in a matter of fact weakened the judicial system where the judges who declared removal of farm invaders were overpowered by the military and political top elite in the movement, (Mwatwara, 2013). The farmers who challenged the legality of gazetted acquisition of their property were put under the ax of land redistribution through Fast track. Their prayers to the courts were claims that the exercise of the invader was unconstitutional and in contradiction of the law through the minority (CFU), Commercial Farmers Union there by suing the government. In the petition

and arguments of the dispute the farmers argued the Power of the president was not legit, hence, abused for individual convenience, (Masiwa, 2004). Commanding stretches to the accusation of the series orders, laws and emergency of presidential decrees which overruled the courts on frequent bases which the law enforcement ignored (Police and government officials) resulted in arguments that the jurisdiction of Law eroded in State Zimbabwe, (United Nations Development Programme (UNDP), 2002).

In 2000 in the month of May 23 the Land acquisition Act was enacted into law. Furthermore, the FTLRP on 15 July 2000 was officially put into effect. Moreover, the government through parliament passed a law protecting new settlers to be protected with an argument that once the new land for resettlement is identified. The law dubbed the (Rural Land Occupiers Act, in July 2001) – (Amnesty International, 2014). Nearly 3000 farms were designated for compulsory acquisition during the official launch. Be that it may, after the land acquisition of land those set to be new settlers were relocated in two models: A1 (small scale farm holding) and A2 (commercial farmers). The reasoning to settle A1 new settlers was to depopulate the commercial farms while the A2 was to settle the embattled new commercial farmers, (Mwatwara, 2013).

Some Land Acquisition Act sections were altered by Parliament which state preliminary notices remained lawful for one year unless nullified before one year was over, (United Nations Development Programme, 2002). Strongly, with a move to maintain the parliament stance, a new bill passed to make the preliminary notice indefinite till the time the land acquisition has been acquired, (Masiwa, 2004). Also, the preliminary notice had no legal power to stop the authority in formulating new notices whenever required. The bill gave a break in demonstration if the land taken suit agricultural purposes. Be that as it may, the bill does away with administrative court in assertion and authorization that gave 30 days' notice obligatory acquisition to receipt applications. In its momentum period, the FTLRP transfer huge areas of fertile land from minority to a huge number of elite majorities; thus, the legislation of year 2000 invaded 4.37 million Hectare of land which found way to 114, 830 families from the two years of its initiation, (Njaya & Mazuru, 2010).

## 4.2 The existing legal framework for Indigenization in Zimbabwe

In Zimbabwe, presently the guiding legislation of mining sector that was enacted Act of 1961 whose main objectives were concerned for maintainable mining and take full advantage of exploitation/extraction of the natural mineral resources, (Murombo 2010). Nonetheless, there were a number of amendments to the original Act in 1980, 2001 but maintained the position of full advantage of exploitation/extraction of the natural mineral resources as chief objective. (Leon, 2009) alluded that Zimbabwe was considered one of the countries that had overly accommodation for foreign owned companies even in the region. In modern era point to decades after independence Zimbabwe seem trailing in the mining legislation transformation and guaranteeing of local community development, (Murombo, 2010)

Be that it may, 2007 May was a year which the government pinpointed that they need to introduce declarations of the Indigenization and Economic Empowerment bill that was to guide productive sectors. The parliament in September 2007 of the same towards influence of Election year of 2008 fast-tracked the bill and signed it into law by President Robert Mugabe in March 2008, (Chowa, 2013). The Minister of Mines and Minerals named Midzi Amos announced the provision of law which stated that the government was to collect 51 percent of stake from every foreign owned company. To this end the structure of 51% consist 25 percent stake uncompensated, 20% to be obtained in 2years and the 51 was to be accrued in 7years from the date of publishment, (Muzoroza, 2010).

The justification shielding the law was that the indigenization empowerment of the economy will endorse the participation of local Zimbabweans businesses deemed (indigenous) using the extraction of economic resources. The present IEEP in Zimbabwe modesty states that indigenous people have to control stake to foreign owned companies.in the process of the act formation shareholders such as Confederation of Zimbabwe Industries (CZI), Zimbabwe Youth Council (ZYC), the Zimbabwe National Chamber of Commerce were consulted. Nevertheless, the Parliamentary Legal Committee PLC in conversation of the Law came up with an opposing report that the Indigenization Empowerment Regulations encroach on the Bill of rights proving law not synchronized, (Sibanda, 2013).

Referring to the Indigenization Economic Empowerment Act, (2010) states that the Community Share Ownership Trust, Management, Employees had to set up 51percent indigenous share-holdings which would activate them to broaden the scope in economic participation. The structure of the 51% apportionment was as the following, (Watson, 2010);

- i. 10 percent to employees share ownership trust (ESOT)
- ii. 10 percent to local communities through CSOT
- iii. 15 percent to be accessed by indigenous people as to purchase shares (loans)
- iv. 16 percent was to go to the National IEE Fund (NIEEF) (National Treasury).

Developing from the above it was argued that IEE is about Partnerships not Nationalization or Expropriation, (Mupazviriho, 2011).

### **4.3 Indigenization and Economic Empowerment Act/Policy provisions (2008)**

- i. The promotion of financial support as a provision to local investors through fiscal support, lines of credits, levies, low-rate loans.
- ii. Creation and promotion of a Parastatal ‘National Indigenization Economic Empowerment Fund’ (NIEEF) specifically for locals that is mandated to manage funds and Minister being Trustee, (Chowa, 2013).
- iii. The advancement of procuring, raw material, goods and services from local businesses

#### **4.3.1 The founding of community share-ownership trusts:**

The consequences of mining activities impact harmfully and negatively to local communities hence, the land itself and that within the proximity become dilapidated, air pollution, large open pits while blasting in search of those minerals. The activity becomes hazardous to animals, people, affects water sources in the

surroundings, land erosion and degradation, and also destruction of local housing by blast effects, (Leon 2009, Kadzere, 2012). To this cause an enactment of a legislation coded under the instrument 21 of 2010 created a Community Share-Ownership Trusts later revised in 2011. The CSOTs are of the effect to increase the scope of indigenous local people participation in companies in their district or province (Chowa, 2013).

This was done with an intention to close up the gap for local community participation through socio-economic development. This was to give a mandate for local communities to gain from the extraction of resources in rural districts. This was the 10 percent share stake, (Sokwanele, 2010). The CSOTs were strategic to make sure communities are guaranteed in obtaining profits from the wealth extracted in their neighboring area, (Sokwanele, 2010). It can soundly portray that the CSOTs were mechanisms which were solutions to enhance resource reach areas benefit. The Ministry of Youth Development and Empowerment, (2012) was the major think tank to the CSOTs which they monitored for equitability, transparency, fairness and justice. It was within CSOT's responsibility to implement efficiently, guarantee ownership and development of projects sustainability, (Makwiramiti, 2011).

### **4.3.2 The Indigenization Economic Empowerment Policy actors and its implementation**

Numerous key holders in the country participated in the guarantying of Policy implementation programme were the Ministry of Youth Development, & Indigenization Empowerment, (MYDIE) being the central in charge. It was the key formulator of the Policy, regulation, strategies and acts. Likewise, the Ministry was mandated to receipt applications and approve the IEE proposals. Furthermore, the Ministry coordinated the stakeholders, other involved organizations, Ministries etc., (Mawowa, 2013). Approvals of indigenization arrangements were made through the Minister of Youth, where all those affected (minority white people) were referred to the administrative courts. Those companies that had business assets over US\$500 000 were to declare to the Minister hence they were required to submit the plan of how they were to incorporate the Indigenization in the company. It was vividly declared any malicious under declaration was crime and companies found wanting were guilty as well as to be prosecuted under law with a severe

consequence, (Machiya, 2014).

Several committees were created to assist the Minister of Youths in coming up with precise frameworks for implementation. They were categorized in-line with the minimum value of assets where the company sector or subsector were force-marched to comply with the developed legislation, (Mobbs, 2010). Furthermore, envisioned maximum periods less shares, weightage assigned pointed to socio-economy necessary objectives, policies are destined to overcome barriers and challenges to any economy sector, (MYDIE, 2012). In the completion of committee recommendations, the government had the power to approve the specific sector implementation framework. The Minister reviewed Licensing measures and warrant compliance to the Policy (Gwenahamo,2009). As alluded to in the Policy, the Minister chose fifteen people to form the board of NIEEB responsible for NIEEF while they played an advisory role to the Minister, superintending compliance with National Indigenization Economic Empowerment Charter. The jurisdiction of NIEEF was for financial support in the share's attainments, employee share-ownership scheme and the warehousing of shares, (Sokwanele, 2010).

#### **4.4 The ambiguity and loopholes of the IEEP policy as whole**

It is regarded in other scholars' arguments that the Indigenization Economic Empower Policy to not vividly apply to the state 51 percent ceding objective since there are no lawful instruments that compel foreign owned businesses to concede the 51 percent of their shares to Zimbabwean indigenous people, (Matyszak, 2011). In the policy/Act it does not accommodate the poor people living in rural areas with clarity of benefits. Going further, the IEEP 51 percent acquisition shares target foreign owned businesses with asset values of US\$500 000. This meant that the indigenous people to suit or fill the gap at the stake of 51 percent were required to have capital amounting to \$255 000 which guaranteed authority for command in the business ventures. Tunneling in the AAG argument, the fact that Zimbabwe has no middle class where those in employment, 90 percent earn or less than 200US dollars, hence, a failure to the provisions of Indigenous Economic Empowerment, (AAG, 2010). This circumstance divulged the opinion that those elite in the ruling party ZANU PF will be major beneficiaries. The influence that they are better positioned

to raise capital prerequisite in obtaining shares, (Maguwu, 2013).

Discussing from the aspect of CSOT, the Indigenization scheme did not avail the system and methods used to appoint representees and their selection processes hence encountering lack of transparency as well as buy-in of the majority, (Robertson 2012). The policy lacked information on the role played by the local communities in the CSOT's and that alone gave opportunity for the ruling party elite, and top structures, chiefs, top army personnel to benefit from the schemes while neglecting and side-lining any other outside, that left loopholes for policy politicization, (Matzyszak, 2011). In an occurrence to support the above statement, the Local Government Minister then, Ignatius Chombo, held accountable numerous chiefs from Tongogara in Zvishavane for converting to personal use Community Share Ownership Trust finances from its account in the amount of US\$2 million, (Maguwu, 2013). To this reference, it reveals specifically that only two (2) sided groups benefited from the IEEP programmes that is, the *ZANU PF ruling elite* and *loyal Community leaders*. These shuts out the transparency of how the majority of Zimbabwean where to benefit from the intended by State IEEP determination, (Matyzak, 2011). Going in depth of different authors, reports feasible signs of corruptions, extortion and patronage we chronicled in the IEE deals negotiations. Furthermore, the Zimbabwe Anticorruption Commission (ZAC) on record pushed investigation of two former incumbent Ministers Saviour Kasukuwere (Minister of Indigenization Economic Empowerment Ministry and Obert Mpfu former Minister of Mines, but blocked through court raise by Indigenization Board which they had influence to halt investigations, (Maguwu, 2013).

Shuffling shares of companies to indigenous people has a negative impact on the Balance Sheet in expansion of new projects. The move by the government to make companies cede 51 percent defile the International Accounting Standards and government as new owner has to prove availability of Capital since its unavailability destroys company balance sheet, (Hancock, 2011). The transfer of shares was delayed due to the fact that the companies argued on the basis of willing buyer willing seller in giving equity to indigenous people. Also, the fact that the companies do not own shares, but shareholders do. In clarification, the legality of shares falls under the supremacy of the shareholder and not the company - (law of jurisdiction entity) which issues shares, (Rau, 2013). Companies have no right to transfer stock without



shareholder approval which the Act/Policy omitted. Huge companies like Zimplats determination of shareholders prove problematic through race. Also, the companies that are listed under the stock market change the shareholders regularly which built complexity for the 51 percent ceding due to the instability of who is who in purchasing those shares, (Rau 2013).

Additionally, no legislation clarity or designed to account for the protection of affected companies, farmers and the possible timeline notice of property repossession, (Magaisa, 2012). The policy provided no provisions to structure fair compensation before property purchase that is interest and rights. The companies' rights to take government to court in view to petition compulsory proportion acquisition decisions are vague, (Gwenhamo, 2009). Prominent advocates in Zimbabwe alleged that indigenization policy must critically give certainty, and vividness in relation to compulsory and mandatory compliance. Definitions were/are vague resulting in business uncertainty and dead reckoning the categories they fall in, thus rendering the policy inadequate, imprecise to compliance which caused private property be expropriated, (Magaisa 2012).

In conclusion, the licensing approvals bodies have conflicting causal inefficiency resulting in corruption. The Mining commissioner concerned about staking agents, the Minister of mines awards exploration licenses while the President of Country Zimbabwe awards special grants and special mining leases, (Anderson, 2011). By portraying this logic, it is a clear revelation that contracting and licensing is a complex process, (Leon 2009). Rounding up to the law discretion this leads to unpredictability, non-transparency as well as inconsistency to the licensing procedures. This thereby leaves a lot to be desired by Administration of licensing, complexity to agencies responsible, leading to consequences, for instance, the reduction to operation oversight as well as capacity to collect revenue, (Anderson 2011).

## **4.5 Chapter conclusion**

Typically, the chapter detailed the Indigenization policy frameworks in Zimbabwe that it started and gained momentum in the years of 1990s. Focusing on the land reform programme, the Government intends to redistribute the land to majority in urban areas and those jam-packed in communal areas/ rural areas

without fertile land. Despite the critical independence resolution to empower locals and their communities, the Policy programme is surrounded by arguments that the principled national objective in form of FTLRP benefitted ruling ZANU PF party members, who at the end owned numerous farms, for instance the former President Robert Mugabe was audited and came out that he possessed twelve farms to himself. Furthermore, the section outlines claims that the members of ruling party *invasion* targeted commercial farms close to all urban areas in the country with the knowledge or accompanied by police.

Studying Indigenization Economic Empowerment Policy based on the mining background whose principal objective was to guarantee the local communities' development through the supportive mining was tackled. Also, the Policy notion of using the CSOTs as means of efficiency was to widen the scope of exploration of resources while the local people were included in participation and benefit from it. With the assertions of legal and corruption indiscretions the Policy made it compulsory for foreign owned companies to subscribe 10 percent of share stake to local communities while 41 percent of the stake share was divided amongst generated indigenous stakeholders. Further, the chapter tackled that most ordinary Zimbabweans of working class and the other majority of people including youths not employed suffer financial deficiency hence, controlling or acquiring share stake from the foreign owned business remain unfulfilled and no light at the end of tunnel deemed, 'pipe dream'. Being that pointed out, the IEEP gives an impression of benefiting the Political elite and those already having businesses "empowered" who also already possess advantages to access public funds, hold public office with private business and access to the loans as well as have skills. The following chapter will crack into the dynamics and dimension articulated in implementation of the IEEP in Zimbabwe.

## **5.0 CHAPTER 5:**

### **5.1 The implementation of Indigenization Economic Empowerment Policy in Zimbabwe.**

#### **5.1 1 Introduction**

Being thorough factors discussed in the above chapters, the current chapter will aim to articulate the processes of Indigenization Economic Empowerment Policy implementation focused on mines and land in Zimbabwe. Furthermore, achievements will be tackled including other negative facts hindered and still hindering the effective policy implementation and success. In essence the unintended consequences that the IEEP impacted on the environment and diminution in agriculture productivity will be opined in discussion.

#### **5.1.2 Triumphs of Indigenization Economic Empowerment Policy - IEEP**

In the rounding up of facts neither disputation that the IEE policies of Zimbabwe are mostly portioned to be tools and weapons for the ruling Party ZANU PF political power of domination in the country; there are positive literature which reveal that the land reform movement has improved livelihoods of other marginalized groups for instance, women empowerment, (Njaya & Mazuru, 2010). More than a total of 80 percent of commercial farms owned by the minority white were transferred, altered towards reallocation hence reversal of colonial land injustice while significantly changing the colonial racial composition. Furthermore, obtaining information from the ZANU PF claims that massive production in agriculture has been realized through tobacco as a cohort of 90 000 grower's introduction. This has improved the foreign currency reserves due to the introduction of new growers, (Christie, 2013).

On farms repossessed in the year 2000 and formalization of the land reform it is recorded that a total of 146 000 different families house-hold acquired subdivided land of (A1 = 6 hectares) where each farm single farm from one white man produced 40 to 50 farms. It is recorded that on the other hand, 23 000 families were issued with commercial farms in the form of A2 in which one single farm owned by white farmer produced 3 to 7 farms each when subdivided. The (auditor General, 2021) stated in an annual audit report

that a total of 300 000 families were recipients of farms while ZANU PF acknowledged 276, 620 families were recipients in a country with 16 million citizens. Replanning from the implementation of redistribution of land can make a perceptible achievement on the land freehold as it will alleviate poverty since the majority will be empowered by having land suitable for agricultural production. Even though the IEEP in Zimbabwe is colluded in squabbles of corruption and disagreements amongst the ZANU PF elite, the new farmers largely benefited from it, (Mukodzongi 2013). Further to his argument, it was noted that the IEEP advanced the activism of local people in mines located in communities' proximity. The fact of having people seated on top of land does not conquer the challenge of poverty nor empower if critical issues for successful production are not procedurally addressed, (Kensley, 2004).

### **5.1.3 The building up community ownership trusts/schemes**

In the IEEP of 2008 Community Share Ownership Trust (CSOTs) were of prerequisite and these we created in numerous communities such as Gwanda, Mhondoro Ngezi, Shurugwi, Hwange and Zvishavane among others. It is stated in Auditor General's reports of the past three years that 10percent share stake has been awarded by the mining companies in those communities. Also, the NIEEB put it on record that the community trust by 2013 had received revenue to the account amounting to US\$114 million. These funds were of public goods development such as clinics, schools amongst required infrastructure to the communities in recipient.

Confirmation of disbursement of community ownership trust funds in Zvishavane were confirmed by Chief Mapanzure during a conference of Indaba held in the year 2013 that his community received to the tune of \$2million, (Mapanzure, 2013). The MIMOSA mine disbursed the funds of which 13 blocks of classrooms were built and a single science laboratory were at a school in the area. This aims to upgrade the quality of education to the children. In the same community it was also reported that houses for school teachers and nurses at a clinic were built, a total number of 10 boreholes drilled and reconstruction of a local dam as a water source and to generate electricity for the several homes and school was initiated, (Mapanzure, 2013). Looking at future projects the trust would plan to include Youth Empowerment. Such achievement in

Zvishavane Tongogara, reflect as a demonstration to partial benefits of IEEP, (Machiya, 2014)

The IEEP has given Mhondoro Ngezi local communities fair upgrades through the mining companies which has made them gain income. The major company Zimplats has performed several corporate social responsibilities, given the share stake lives have been redeemed from dire poverty. Youth employment was created, sporting facilities developed and a major soccer team emanated from the community. All such has been initiated by the IEEP whose mandate objective was to empower the local communities. This has resulted in a reduction to high unemployment in the area, (Mukodzongi, 2013). Also, the Women empowerment through ZIMPLATS mining company has been a key through training and equipment for local project for example, rearing of chickens, value addition to harvested crops and it has proved to be positioning women economically in the area curbing domestic violence and developing equality as well as opportunity, (Chowa, 2013). Furthermore, salaries acquired by locals from the mining company enables locals to invest in local agricultural production, (Murombo, 2010). With this among other certainties the small-scale farmers have reaped from the benefits of IEEP, (Mukodzongi, 2013). Be that it may, neither nor impediments from elite corruption, squabbles, and disagreement it can be of importance to regard that some communities have improved socio-economic status and infrastructure development in their communities, (Mukodzongi, 2013).

## **5.2 Challenges affecting Indigenization Economic Empowerment Policy effective implementation in Zimbabwe.**

The following section will study in depth elements pointed out in chapter three which reflect the obstructive successful implementation on the indigenization economic empowerment policy in Zimbabwe.

### **5.2.1 Non-existence of foreign direct investments- (FDI)**

Firstly, foreign direct investment accelerates the rate of growth of developing countries and creates employment rates and incomes, bringing new technologies and improving infrastructure in the process.

It is therefore a fact that the FDI is interconnected to standards of lining for the country receiving it, (Bloch, 2013). Rivals to the IEEP and the legislature have put it to the fact that it is hostile and chased them away. In it the procedure is bureaucratic and takes a year for approval of licensing. The government elected in 2013 and again in 2018 seem to have failed to break down the investor hostility of the law thereby maintaining the status quo, (Bell, 2010, 2019). A citizen named Richard Mubaiwa had an opportunity to address parliamentarians on the IEEP where he openly expressed to them the threat of legislation, that it is blocked by liquidity problems, discrepancies, debts outcropping, inflation, economic instability and also the high-cost tag zone. These factors have proven to be the hindrances and unwillingness of investors to come forth, Mambo 2014). Economists in the country argue that FDI is key to the economic turn-around of Zimbabwe and without it is extremely disastrous as the recovery is at slope, (Bloch, 2013). He also further contends that the it is not only about Capital inflow but also resuscitation of infrastructure and new technology advancement into the country, (Bloch 2013). Zimbabwe has no Capital resource to develop the country where it has sunk in 2008 recession.

It is a matter of fact that the former Reserve Bank Governor, (Gideon Gono) and the former Minister of Indigenization and Economic Development (Savior Kasukuwere) differed of the policies of IEEP specifically taking over the foreign owned bank. The two had public bias towards the ruling ZANU PF Party. In the arguments, Kasukuwere pointed out that Gono was receiving bribes from foreign owned banks for him to stall the effort of the government towards Indigenization Economic Empowerment Agenda, thus being corrupt, Mambo, 2014). As an Economist and Governor of the Reserve bank then, Gono argued that Zimbabwe required recapacitation through FDI as the country was enfolded in a liquidity crisis. Proceeding with deliberations, (Gono, 2012) advised the local business community that Zimbabwe to be on the path to attract the FDI it has not to be perceived as a hostile country by the investor international community. Furthermore, in the advice articulation he noted that the legislation in the country has to be from protecting intellectual property rights, private property rights, and accessibility to their capital. Emphasis for the Government of Zimbabwe should not ignore the risks associated with international marginalization, (Hancock, 2011).

Be that it may, the Government has maintained its stance of 51/49 percent in the mining sector by amending the policy and national constitution to the fact that the financial sector and the manufacturing sector shareholder state is negotiable, (Ndhlovu, 2014). In case of the legislation whose Minister is the Trustee and mandated to administer, fears have risen those negotiations of case-by-case increase chances of office abuse, corruption in certain sectors. On the same circumstance, the issues and concerns raised by foreign investors in relation to policy on investment security and irregularities are neglected or kept under the carpet until officials vacate or shuffled from the office without escalation to the judiciary, executive or parliamentarians to individual benefit, thus sabotage and letting the country down. Fairly, it is within the economies worldwide that policy does not prime to wide-ranging Economic Empowerment, (Mambondiani, 2013).

### **5.2.2 The Indigenization Economic Empowerment Policy inconsistency**

The understanding of IEEP and its interpretation by the majority of Zimbabwe is inverse or otherwise. This has been evidenced by differences between the former Minister of Indigenization and Economic empowerment development Francis Nhema 2008 and Savior Kasukuwere incumbent of the same office in 2013. Addressing the period Kasukuwere was in office he considered that the policy requires the primary goal of ceding 51 percent of stake from all foreign owned business comprising all sectors in the economy, (Machinya, 2014). The Minister addressed the policy with a one size fits all where it caused panic within the companies operating in the country from mines, manufacturing sector as well as investors that had signed the initial stages of deals. When Nhema came into office the following another term period he gave the sot approach to the IEEP, where he interpreted that the legislation had an option for him to exercise flexibility, (Ndlovu, 2014). It is therefore a standing point that the analysts argue towards revealing the inconsistency; the Government has to draft proper vivid guidelines to achieve policy objectives for the future Ministers and the country as a whole. It came to light of fact that Nhema further expounded that the investors are concerned to the issues of consistency that the IEEP the subject, (Bell, 2010).

### **5.2.3 Underperformance of the Zimbabwe economy**

A typically high accelerating inflation resulted into the slump/nose-dive of the Zimbabwe economy which has and is prolonged over years. This damaged the investor confidence due to the fact of production and foreign currency employee earnings caused from the land reform program period of 2000 to present. Also, this has caused a collapse into the agricultural production and halt of the mining sector, (Amnesty International, 2014). The challenges of fuel prices hiking, skilled human capital flight, excessive electricity load shedding has resulted in the failure of long term and short-term planning of business. Stocks by companies were removed from the Zimbabwe stock exchange which has become chief financial and monetary policies become very unpredictable. The government has come up with unending labels, midterm, and all sorts of amendments in trying to curb spiking inflation within the economy, (Mwatwara, 2013). This situation led formal companies turning to the informal black market for low foreign currency exchange rates. Government regulations were tussled to operate under engraved distality, (Murombo, 2013). Looking at capital export products became uncomplimentary, that is, obscene foreign exchange rates and conflicting mineral prices. Furthermore, the hostility of internal political situations wedged destructively to the investments in the mining sector. Generally, the mining business is encompassed by capital intensive budgets. The results of an unconducive economic environment, hyperinflation hit financial institutions, leading the investors unwilling to lend monetary capital to mining companies and miners in any respect. The technology equipment in the mines is outdated and others being obsoleted and required maintenance capital so as to prolong the tenure years of operation, (Sibanda 2013). Based on the expressed steepchases are big enough to hinder success of the IEEP implementation. Also happening in a country marred with poor economic performance and well as ranked very low to the ease of doing business in the region and in the world, (Magure, 2014). Focusing to the previewed data and evaluations the companies are operating below expected capacity and require severe capital injection. This may take long for these companies to realize adequate capital to reach an era of declaring dividends and decent ceding to subscriptions CSOT's and all prescribed indigenous shareholders/partners, (Hancock 2011). The only impact of the IEEP to be realized instantly would be felt through the supply and procurement rather than the Equity. Be that as it may, to guarantee positive achievements of the IEEP the emphasis has to be



applied both on procurement and supply as well as Equity, (Mambo, 2014). In most literature on the IEEP legislation, different authors indicated that the policy requires rigorous understanding and focus on the mining costs as well as the returns that have influence to the mining investment. Lastly though not least, the country's unstable currency and its continuous hyper-inflation have given a negative perception of mining in Zimbabwe, (Mugure, 2010).

#### **5.2.4 Shutting down of companies in Zimbabwe.**

When the economic melt-down went on to the peak and the business environment deteriorated accompanied by the forces of IEEP pushed productive companies to close who were major exporters of different products that are in Bulawayo, Gweru and Kwekwe, (Ndlovu 2011). When the situation escalated the AAG went on to put accusations to these companies that they were deliberately in the process of stripping assets, selling machineries and closing down of operations in a motive not to be included in the Indigenization Economic Empowerment, (Ndlovu 2011). Nevertheless, the capital flight is understood as the profit-seeking and risk-averse context to the foreign investor and domestic businesses.

It is alluded that the Government of Zimbabwe used its hand in the contribution of companies closure as well as suspension of mining firm projects, as a result to the cause the mining sector has been destabilized resulting in foreign currency reserves dwindling in the economy, (Magure, 2013). Furthermore, point accusation that former minister of Indigenization Savior Kasukuwere using the militant force to implement the IEEP obscured lawfulness. It all came to light at national courts that there were unscrupulous individuals who manipulated into using IEEP as a shield to seize foreign owned companies, for instance, the invading of city center building owned by foreign companies in Bulawayo by ruling party youth, juntas and militia in a claim of IEEP implementation, (Matzyak, 2013). This became tropical in the country, region and the world at large that ZANU PF elite were manipulating a policy grabbing foreign owned company shares giving indigenous people. It is in the international standard and economics that business companies are in business to do business and if the risks become undesirable or uncondusive environments struck tied to political instability, they move away from the risks. Such has become apparent in Zimbabwe

where companies have closed down because they felt threatened to their capital by the hostility and political maliciousness of law through IEEP implementation. Such accomplishments, (Fatehi, 1994) force the closure of companies resulting in high unemployment rates, joblessness of indigenous people, infrastructure destruction, capital flight and extreme decline in GDP.

### **5.3 Contribution of local communities to the policy events.**

The Zimbabwe Indigenization Economic Empowerment Policy (IEEP) necessitates emancipation, participation and full control of economic activities by the local communities who are the majority citizens and indigenous people. Being that chronicled, the state of affairs of non-legal barriers impacted negatively to the indigenous people in offer to participate that is issues of financial capacity, illiteracy, culture, gender discrimination, lack of communication amongst other negative factors, (Murombo 2010). Giving influence to the people by following forms of procedural partaking diminishes the relevancy of participation; this then results in a philosophy of tokenism, (Arnstein, 1969). This philosophy of tokenism prescribes to the fact that giving notification of planned programmes allowing discourse between members of a community yet none escalates their ambition to be considered; but the elite brushoff by taking final decisions themselves. This action hooks people's needs and wants as the elite take charge throwing away the majority necessities.

*Subsequently, (Arnstein,) argues that being involved yet no influence is an empty ritual as well as annoying process encountered by the powerless to the reason that they are snubbed to effect change in conditions that affect them.*

It has been mentioned that the Politicians and Chiefs interconnect to become a central group in the community ownership trusts/schemes which is a big sign that they superseded the members of the community thereby causing inequalities, (Machiya, 2014). This has remained as a challenge with the community charting causing uncertainties. In this happening, who conciliates with the community. It is vague to prove identity of community membership; be it determined either by descent, birth, tribe or clan neither village of origin, (Murombo 2013).

Additionally, the challenges surrounding the formation of CSOTs in the IEEP was that, it was not of

legal binding that companies contribute financial support in their formation but rather a prearrangement which was ad hoc between the Government and the mining companies. Companies had to campaign visibility on the inaugural ceremony of CSOTs promising to give several million between US\$10million to US\$15million, (Mawowa, 2012). In spite of this, the former minister of finance in Honorable Tendai Biti claimed that no legislation bounded the foreign owned companies in the IEEP were mandate to the release of such funds hence, propagate in assumption that the companies were involuntary perverted to do so unwillingly, (Kanyenze, 2013). To date quite a lot of companies are yet to disburse such funds if not closed hence, the loopholes cause a delay or disappearance of the CSOTs which has delayed their maneuver. To those that have sustained an operation report of misuse, corruption of the trusts fund has been reported, (Maguwu, 2013). Furthermore, to other impediment is that those put to be the leading Board of CSOTs are inexperienced and not knowledgeable in development of community projects which pose as a major promenade to the indigenization economic empowerment projects, (Mabena, 2012).

#### **5.4 Information and communication non-existence/breakdown**

The intense analysis into the Zimbabwe state of affairs in line with the Indigenization Economic Empowerment Policy reveals that; though the Government remain enthusiastic to the Policy implementation the following challenges have remained clogging to its full success;

- i. Limited understanding within different sectors, foreign investors etc.

This above challenge is surrounding ordinary Zimbabweans, provinces, government ministries who are stakeholders in the implementation. Most officers fail to understand the regularities of the Indigenization Economic Empowerment Policy. The above mentioned constricts, poor communication, lack of understanding has been a major stumbling block to the people welcoming the programme projections and its positive consequences. For the policy to have an impact to the nation with a buy-in, Francis Nhema, a former Minister claimed that everyone should not be left behind, trailing from information hence, the indigenization economic empowerment achieve its intended goals, (Nyambabvu, 2013). The information gaps, withholding information to groups yet to be involved play deconstructivism to participatory development, hence, it is perceived that policy become beneficial to well-placed groups

with pertinent information while overpowering the majority, (Mnwana & Akpan, 2009). It is vivid worldwide that without knowledge, clarification people cannot participate as channels and roles for participation will be ambiguous. It is therefore, applicable to the people of Zimbabwe that they cannot realize the emancipation cause of the IEEP in the quest of knowledge not fulfilled. Lack of sufficient information has otherwise caused the present 'Status Quo' of the IEEP agenda of Zimbabwe to lack planning that endorse buy-in, participation, involvement by all sectors of the economy as well as ordinary Zimbabweans, (Machiya 2014).

### **5.5 Unavailability of critical economic inputs**

Production in the agricultural sector has been severely hindered by lack of access to the inputs hence, no meaningful production the farmers have realized. Assessing fertilizers, farming seeds, financial capital by farmers has proved unreachable as shortage and those important sold at exorbitant prices, (Moyo, 2018). Within the literature from diverse scholars indicated that the FTLRP was done in a disorderly manner which set problems for instance, amongst the farms invaded none singled out hence, the farms which specialized in seed production were not protected neither spared which destroyed the chain of production to domestically produced crop seeds. Also, the inadequacy of foreign exchange escalated the shortage of fertilizers and seed from foreign countries, (Sachikonye 2003)

Generally, new farmers lacked the expertise and knowledge of acquiring capital, special inputs for production and did not have the capital expenditure power, equipment such as tractors as well as exclusive pesticides for agriculture. in the IEEP there were no measures put in place to jump-start the farmers who acquire such land from minority, (Moyo, 2005). For the majority who acquired A1 farms and earn below US\$200; maize production hectare requires cost of USD\$500 while tobacco requires US\$800. Maize and tobacco correlate with the quantity of inputs (fertilize, seeds, equipment) used thus was/is scarce to farmers, (Manjengwa, 2013). This resulted in decrease and underutilization of land becoming inefficient to the economy.

## **5.6 Relationship between people and land - (land tenure)**

The brains behind Land acquisition were a root to fast track the identification of farms and reallocate it to justified beneficiaries. This was to guard and eliminate bribes, corruption from those with conflict of interest and discontented parties. (Moyo, 2005). Observing at the debate that enfolded the Land reform program, legalities, access rights, legitimacy and protective guidelines the Government of Zimbabwe certainly has been obstructed to the security of land tenure. The issue of security is critical to farmers, but, currently the obtained farms during the period of FTLRP belong to the state as deeds are not yet availed, (Kinsey, 2004). Without the security tenure those distributed with farms have complex insecurity in terms of investment and production decisions. This impacts and complicates deals with financial institutions for financial loans, inputs and other related agricultural investments, (Scoones, 2008). Banks and financial institutions require collateral in times of borrowing (line of credits) which the government kept farm land title deeds to itself, hence, a blockage to financial access. On the other hand, the government was overflowing to the abuse of the facility by vagrant government imposters returning to land sales and the poor system of pre-2001 methods of land proprietorship, (Sachikonye, 2003).

## **5.7 Ability of institutions to sustain the Indigenization Economic Empowerment Policy.**

Tracing from other countries which have been successful in the indigenization program the capacity of institutions has been handy and Zimbabwe cannot be spared to the dynamics. Tapping directly from the Zimbabwe legislation of the Land reform program did not prepare sufficiently to fund the policy implementation from all stages, start to end. Even the donor community failed to accept chipping in to the call of Zimbabwe for Land acquisition programme by support aid as it hid from the compulsory land acquisition, thus a noticeable symbol. (UNDP, 2002). These donors normally from the European Union whom the land acquisition was against refused to put the decision of Zimbabwe to consideration, referring to the war of DRC which Zimbabwe aided by sending military assistance as that the same has no future for Zimbabwe. The community of donors referred to the action by Zimba aiding DRC war as unacceptable

and not sustainable for a democratic country, (Amnesty Internal, 2014).

In the process of heading on with the land acquisition programme Zimbabwe realized financial drought, (Amnesty International, 2014) hence, the then Minister of Foreign affairs in 2001 (Stan Mudhenge) besought with the United Nations Secretary General to avail funds with aim to assist the resettled farmers for inputs, infrastructure as well as general social amenities. These requests by Zimbabwe fell on deaf ears as the donor community emphasized commitment by Zimbabwe to respect the public property rights, return of rule of law and exclusive non-violent forms of the project, (Masiwa,2004). The community of donor's emphasis was Zimbabwe to have approached its project of land reform, gradually using an approach that doesn't use obligatory means to the compulsory acquisition which led to violence afterward. In such proposals from donors the Zimbabwe government felt they were anti-land reform, (UNDP,2002). The intentions between the Government and the Donor community collapsed resulting in the new resettled farmers without any infrastructure, financial support or any services in those new communities, (Moyo, 2005). However, the Zimbabwe government established another Policy deemed 'Look East Policy' which was to solicit funds from China, India Malaysia, Indonesia to help fund IEE Reform policy but, it dismally failed, also, (Manjengwa 2013).

Cut edging in the mining sector as it was facilitated in the same period, the electricity load shedding interval cutoff and even spending days without it cause mining companies to mining failure. The debt became huge and the country failed to service it, hence, mining systems did not cope with such power outages. For instance, the Zimbabwe Electricity Supply Authority – (ZESA), in its quest to attract and endorse investors to construct a US\$3billion electricity power station failed to acquire. This meant rescuing Zimbabwe from electricity shortage hit to the extreme slope, (Sibanda, 2013) which to date 2022 is still a challenge. The compensation of transfers to indigenous people was unveiled due to lack of funds. Continuously the agreement between Zimbabwe Government and the Foreign owned companies remained as it is 20% CSOTs and Employee Funds while 31% to national treasury at prevailing market rates. For ZIMPLATs mine only payments range from US\$372 – USD one billion thus, no company has disbursed any revenue which has become a hindrance to transfer of shares.

## **5.8 Anomalies associated to the land distribution**

The Indigenization Economic Empowerment Agenda to the land reform programme happened without following a systematic model which haphazardly found the 1992 procedurally issued agricultural production farms being invaded and occupied resulting them being subdivided into small A1 plots distracting the chain of seed production, (Sconnes, 2008). For instance, the horticulture, sugar cane, coffee and tobacco commercial farms were on bilateral Agri-business agreement as well as wildlife conservationists were invaded and shared to be A1 plots land, (Sachikonye, 2003). Such accomplishment rendered the Fast Track Land Reform redistribution program disorganized.

Generally, the Provincial Committee on Lands gave authority to war veterans association, chiefs, Provincial administrators, Ministry of Lands representatives and other several stakeholders access mandate to redistribute land, (UNDP, 2002). The involvement of decentralized authorities opened up corruption avenues since no single organization is accountable thereby double allocation of the same single land became on the rise, (Amnesty International (AI), 2014). Following the Land Distribution and stakeholder involved in the redistribution the Presidential land review committee was set. In their process to review, irregularities, political interference were encountered emanating from unidentified standard/principle of issuance system. It came to the revelation that those top government officials were given the mandate to issue themselves more than one farm in their provinces. One Mashonaland Provinces, (top government official) was alleged to have acquired land for relatives, children under 10 years old which was abuse of office, (Njaya & Mazuru 2010).

## **5.9 Reallocated unused/underutilized land**

The land formerly occupied by white's minority farmers whose major output was agriculture became low to zero production due to the Fast Track Land Reform program impact. These commercial farms were reallocated to recipients who had no capacity, knowledge, skills and financial muscle to push for production. While the other factor was that most occupants were government officials who by virtue of

employment were full time office officials which they end up being the so-called 'cellphone farmers'. While it is a fact that the A1 whose farms were subdivided from a single farm white owned to 6 /7 plots multi-black owned, physically occupied the farm, but, the A2 farms which mostly were redistributed to the top elite never physically occupied the farms. This was revealed by the Presidential Land Review Committee (PLRC), (Mwawara, 2013). The PLRC adapts to the fact that this unused farmland has much impact to the agricultural production since being underutilized diminishes the impact to the exporting power of the Zimbabwe economy.

Indecisive explanations to the reason why A2 farms were not physically present of the owners came into debate. The information cited by those issued A2 farms include, not receiving title deeds, offer letters which refer back to the administrative challenge of the government who is the overseer of the IEEP, (Masiiwa,2014). However, the arguments which is referred as major burden of the A2 uptake physical occupation is that they are not real farmers, who stay in urban areas, government officials, who should be in office for administrative work hence used bureaucratic power as beneficiaries hence, could not disconnect themselves from current mandated to be farmers causing idleness to productive farm lands, (Manjengwa 2013). Most were politicians. Through lack of farming interest while those commercial productive farmlands were close to urban areas the A2 farms such as Mt Hampden and other surrounding farms were converted to housing cooperatives and other sold to housing estates for human peri-urban and urban settlements, (Amnesty International 2014).

## **5.10 Interference of politics on IEEP implementation process in Zimbabwe**

The new millennium approach of Indigenization Economic Empowerment to Zimbabwe indigenous people sails political and economic dimension to new levels, era as well as direction encompassed with diverse reactions by stakeholders. The redistribution of land through the FTLRP deemed 'invasion' from the white owned farms broke a new record in the country to lawlessness (rule of law broken) while creating opportunities for established entrepreneurs politically connected to acquire more assets from the agenda,



(Manjengwa, 2013). From the year 2002 – 2018 the ruling ZANU-PF had internal squabbles of factionalism which aimed to succeed President Mugabe whose groups were awarding assets to dominating particular groups of already successful Entrepreneurs in business which evolved through the military and the Central intelligence organization, (Mwatwara, 2018). The access to these economic indigenous assets were influenced by divisions as well as the progressive motive became unstable, more contested which (Saunders, 2007), argued and confirmed that;

*The country of Zimbabwe has advanced the top elite driven, opportunity asset grabbing's, instead of the lawful articulation of policy to sought sustainable socio-economic development through transfer of strategic production to accountable hands, avoiding the individualization of national strategic economic resources.*

One former Member of Parliament aligned to ZANU PF ruling party defected to opposition Movement for Democratic Change (MDC)- (Tracy Mutinhiri) but, had benefited in the FTLRP when she was under ZANU PF and her farm was confiscated by ruling party Junta and militia due to the move. Being questioned on the circumstance she responded that the ZANU PF will continue to politicize and manipulate the IEEP to use it as a ransom for its loyalists. Those that differ are punished, land retrieved and not benefit, (www.bulawayo24.com). Also, those citizens that differ on opinion, lawfulness, procedure, but, had benefited were treated in the same contempt and more severely to those without political connection and influence. This version of political inference to farms comes as evident while it also happens violently in mines where elites wrestle for stake in the lucrative mines.

The MDC's arrival on the political scene in September 1999 gave realistic opposition to ZANU PF after years of monopoly. The arrival of MDC coincident with the IEEP resulting in defection of staunch ZANU PF members to MDC. Staunch ZANU PF political party members were mobilized by the wave pushing the ruling party to become ferocious and repressive. Be that being observed, the ZANU PF moved a step further intruding into the IEEP as a buy in for loyalty. The Land Reform programme came to be manipulated by the ZANU PF as Third Chimurenga emanating from the first and second liberation agendas in the priors that led to independence to the Country. This mantra of giving people economic empowerment through land and liberalization was put to action without the proper policy implementation procedures and

lawfulness. Though a number of people/majorities believe in the IEEP they were also willing to give a new Political party MDC, ground and chance to stir the country to new economic dimensions.

Through joining forces between the National Constitution Assembly and MDC petitioned the Zimbabwe majority to vote against the referendum of 2000 whose sole purpose was to legitimize massive land redistribution. The ZANU PF were defeated but went on to impose the land occupation and formalize as a way to obtain year 2000 votes in elections, (Moyo & Yeros, 2005). In the history of independence that was the first time the ZANU PF party lost a Constitutional referendum and the following year of general elections failed to achieve two thirds of majority in parliament since the 1987 unity accord. In the same general election marred with election rigging accusations to ZANU PF, MDC was one year old and managed 47.5% votes 57parliament seats, while ZANU PF had 62 parliamentary seats, Amnesty International 2014). In the year 2002, former President Mugabe won the presidential general election by 50.7% which was a narrow snatch from MDC leader Morgan Tsvangirai, (Njaya and Mazuru 2010). The nearly half - half parliamentarians for ruling party vs opposition party brought debate in the parliament and also prevented amendments in the national constitution, a norm ZANU PF used to practice to align the way they wish to tackle Policies prejudicing Zimbabwean majority, (Njaya and Mazuru 2010).

Nevertheless, a two-faced parliament ZANU PF and MDC parties represented did not reduce political interference to the IEEP programmes but rather made it worse. In the formation of CSOTs they got extremely politicized were those aligned or suspected aligned to opposition party (MDC) by ZANU PF were excluded from being participates and as well as no indigenization benefit to them. The exclusion of suspect meant division of Zimbabweans. These battles became extreme worse in all harmonized election of (2005, 2008, 2013, 2018) were allegation of those supporting opposition (MDC) to the ruling party were evicted from farms. It was also noted that the ruling part used the CSOTs as political tool for those aligned to ZANU PF relating to election of July 2013 and 2018. Furthermore, to the 2013 elections campaign the ZANU PF introduced another policy proposal align to the IEEP which was called the Zimbabwe Agenda for Sustainable Socio-Economic Transformation- (ZIMASSET) whose objective interlink completely. As the ZIMASSET was propelled to be the election campaign Manifesto, ZANU PF completely enfolded its-

self to a spirit of Indigenous Economic Empowerment. This however was tricky as it casted out the MDC party and its members as opponents of economic development and empowerment of local people, (Machiya, 2013)

In the season of every election campaign prior, the CSOTs have been in the mouth and voice of every politician while threatening people that if they fail to vote for the ZANU PF or differ in political ideology they will be deprived of economic empowerment as we have access to socio-economic development through indigenization. This has made the IEE very delicate in the hands of politicians. The IEEP has been, however, used as a political tool to manipulate, control and threaten rural communities and their leadership to vote and support the ruling party, (Zhou and Zvoushe, 2012). Evidently referring to the research by (Makumbe, 2010) claims that chiefs in Zimbabwe are loyal to ZANU PF party, submit to its ideology while castigating opposition Party members in their community which come as a guarantee the ruling party to stay in power. The above discussed factor has had an impact either positive or negative to the political inference to effectiveness of Indigenization Economic Empowerment Policy programme implementation, (Makumbe 2010). That being the center of critics, a politically driven policy undermines the economic liberation/deliverance of a virtuous policy to be unconvincing as well as controversial to the nation and economy at large, (Zhou & Zvoushe, 2012).

## **5.11 Unintended consequences to the Indigenization Economic Empowerment Policy in Zimbabwe**

### **5.11.1 Decrease in economic production**

In the Southern Africa region Zimbabwe used to be considered as the bread basket for Africa in agricultural products such as cotton, beef, tobacco and most horticulture products which the country exported. 15 percent of the GDP total in the 1990 was realized from such production while 40 percent of the foreign currency was earned from agronomy exports in that particular decade. The economy of Zimbabwe was growing hence the agricultural revenue as well. Maize, which is the staple food production year on year, amounted to 1.7 million tonnes in the 1990s decade, however, it changed to extreme low after the Fast

Track Land Reform Programme of year 2000. On recorded the production of maize from year 2000 to 2004 wavered between 0.1million to 1 million tonnes, white the production of wheat had a ruction of 20 percent, (Sachikonye, 2005). In the same particular period Zimbabwe required 1.8million tonnes of maize to satisfy its population which 1. 55million being for human consumption while 250 thousand tonnes were for animal stock feeds. Food crisis hit Zimbabwe while the economy was fast sliding. The year 2007 saw a recorded fall of maize to 953 thousand tonnes which was a short fall of 900 thousand tonnes. This impacted negatively on the country's food security, foreign currency amongst economic productions. The production of cotton and tobacco plunged as well, (Moyo, 2005).

### **5.11.2 Environment: Land Degradation**

There has been a negative impact to the environment in Zimbabwe caused by Indigenization Economic empowerment through deforestation. Because the newly settled farmers grow tobacco as a cash crop but with no electricity in the drying process wood is the only available source. With no other technological equipment, an increase in cutting down trees has been rampant causing droughts, erosion as well as land degradation, (Christie, 2013). Confirmed by the Forestry Commission of Zimbabwe in 2011 that 330 000 hectares of woodlands per year have been destroyed for energy. (UNDP,2002), Prior to the redistribution of land and land invasions the white minority farmers used coal energy which is far out of reach to the small and new resettled farmers who constitute 83% of those A1 and A2 new farmers to tobacco.

In recent years the raining patterns have changed and tree growing patterns have affected. The Forestry commission hinted that by 2021 trees shortages will affect Zimbabwe in all tobacco areas which will cause conflict between humans and animals. Areas such as Kwekwe, Marondera, Headlands have trees cleared for cultivating land where a few trees surround homesteads or inaccessible valleys protected by Chiefs tradition, (Christie, 2013). The Forestry Commission of Zimbabwe advised those in resettled land effects of deforestation in totality that it will lead to land dilapidation, decline of water supply either quantitatively or qualitatively which finally desertification will trail, (UNDP, 2013).

### **5.11.3 Farm workforce crisis after being chased out of the farmland areas**

From 1980 when Zimbabwe was liberated from colonialism to independence the agronomy sector was the largest employer with a total of 26% of farms as recorded by 1999, (Chambati, 2011), which is 15 to 18% of Zimbabwe population. Of this total, 167 thousand were permanently employed while a total of 146 thousand were seasonal casual workforces which the large population consisted of women, (Moyo 2007). The objective of IEEP through the FTLRP resulted in farm employees being sufferers of the redistribution policy. Homes, children and work were either dislodged, employment affected and eliminated. The farm workers were accused of being compassionate of white farmers and were associated with the opposition party Movement for Democratic Change which was accused to be anti-indigenization hence, denied benefiting land or A1 farms for resettlement, (Sachikonye, 2005). Majority workers on farms displaced, others relocated to communal land while others found place with the newly settled occupants and others went on to form informal settlements. It came to light that 75 thousand to 100 thousand workers were given marching orders. Therefore, (Manjengwa, 2013), in the circumstance the farm workers were affected by the land reform program causing loss of employment homes and harm to social security.

### **5.11.4 Decline of national revenue tax base**

The IEEP lead majority of Zimbabweans start small to medium enterprises which are informal. These informal sectors barely pay taxes to the government and their continuous growth has triggered formal sector disappearance which led to eroding the government tax base. Some individuals who benefited from the financial assistance facility in terms of loans misused them, others disappeared with stocks resulting in the capital and interest both gone. This has made it difficult for the government to sustain reasonable welfare of civil servants. The economy of Zimbabwe through the agricultural sector approximately lost US\$33 billion to indigenization programmes between 2000 and 2011, (Theon, 2011). Informal market has whipped out the formal sector in terms of banking system, selling of crops causing evading of taxes through informal trading. Another author (Cross, 2009) argued that the FTLRP ruined the agriculture sector as

some invaders abruptly took over standing livestock, plantations, mine storages and even unharvested crops which were valued billions of US dollars. This led to capital sinking as crops were not formally disposed of hence, the chain of business derailed and the government did not receive tax revenue from it.

### **5.11.5 Destruction of homes and interconnectedness risks**

Generally mining of minerals or resources activities enhance and stimulate development even though communities are affected while companies maximize profit. Most if not all mining happens on land where in Zimbabwe the mines are located in rural areas or per-urban areas where agricultural soils are fertile and extensive. The activities of mining lead to communal animal grazing lands destroyed and if neglected the impact is felt with the economy and food security is reduced in these communities to the national at large, (Yirenkiyi, 2008). 9giving example in Zvishavane, Murehwa where mining activities are becoming liability as well as impact the indigenous people resettle who survive on subsistence farming mode, (Kanyenze 2013).

The fate of Chiadzwa where diamonds were discovered in Manicaland, Marange prompted the government to move the citizens numbering to 400 families to relocate away from their ancestral inherited land to new resettlement without compensation for the loss and development on their area and homesteads they are coming from. Those moved or affected confirmed that the Marange- Zimunya Community Trust did not help them or benefit from it at all. This creates a confusion and conclusion that the indigenization CSOTs do not benefit the intended beneficiaries, (Kanyenze 2013). The zig zag procedural way of policy implementation, poor mining laws, and difficult issuance of mining license, endless procedures encouraging illegal mining – (artisanal mining, makorokoza) impacting the economy with evasion of taxes and smuggling of resources e.g., minerals. Be that it may, (Mtisi 2013), women have been negatively disempowered resulting in sexual abuses, prostitution in areas where illegal mining happens which contravene culture integration and cause civil contempt to unrest.

## 5.12 Chapter conclusion

The section put a closer look at the factors that impacted the indigenization, economic and empowerment policy implementation programme. The study found out a lengthy achievement made to the economy however also found out problems that largely distressed the implementation. The Fast track land reform programme carried out in the years 2005 to 2008 caused the economic destabilization, maladministration of the commercial farming land as well and creation of rival clusters within the citizens of the same country. The chapter also maneuvered a discourse on how legislation inconsistency, legislative environment, financial security makes investors threatened and hesitant to invest with confidence in the country. The unpredicted reactions, motives, requirements of legislation as well as uncertainty drove productive key companies to closure and capital flight which subsequently led to massive job losses and economy drop to extreme levels causing a quagmire to the population of Zimbabweans.

Also, the country in the midst of the problem had not been financially prepared nor raised in time to implement such a major and critical project to the economy. Also, the government did not put together its assistance equipment, infrastructure and inputs to new farmers and as well equip them with deed paper rights to be able to access credit lines to fund their agronomy adventure. The bunch of problems resulted in underutilization of productive land that emanates from land redistribution programs whose consequences pointed to agricultural output damage, bad reputation to be a country destination of Investment, lawless country captured by state which profoundly led to economic damage. The purpose intended by IEEP implementation was critical and noble to the local indigenous people emancipation in the economy but, record corruption, state elite capture is a major obstruction to realization of the policy objectives. Furthermore, the IEEP portrayed as a political tool rather than an economy developer used by ZANU PF to capture political mileage, completely discussed in political gatherings misinformed majority, hence, caused segregation, partisan, 'loyal entryism', as well as individual interests and elite grab public good for private benefit that is injurious to the economy and major hindrance for development.

Empowering of majority citizens within a nation or state is power to national security, power so protect

country's interest, power to defend sovereignty and tranquility, power to defend against colonization by other nation, power protect future generation, hence the preceding chapter major aim is to retain the assumption that IEEP is still the means which Zimbabwe can be a first world country comparable to South Korea by 2060.



## **6.0 CHAPTER 6:**

### **6.1 Feasible determinations to challenges of Indigenization Economic Empowerment Policy in Zimbabwe**

#### **6.1.1 Introduction**

The impending challenges of the Indigenization Economic Empowerment Policy, (IEEP) have been fully detailed in the prior chapters and they need to be resolved to make Zimbabwe 2030 vision a success through revamping it and its structures and continuous implementation. The policy has an impact to the economy, hence, revisiting and recuperation would achieve intended goals as well as shaping future policies for the country and those that interlink with it and to Zimbabwe. Discussion surrounds integration of; corruption eradication, enhanced participation, partisanship, alternative approaches of empowerment and the required essential sustenance to the IEEP, citizens emancipation among other factors.

#### **6.2 Effective contribution and participation**

The emancipation of indigenous people in the activities of the economy is critical thus called empowerment. Socially, people need security and protection to their well-being hence, empowerment allows them to intercede suitable means to sustain their socio-economic development. Participation makes people systematized, have a sense of belonging and buy in to work collectively hence, gain control of matters and problems that affect them. Defenseless people also benefit from improved representation henceforth, mobilization of the indigenization magnitude is vital to the Zimbabwe citizens, (Sibanda 2013). Considering the magnitude of effective participation, people's ideas and philosophies should be considered so that they feel a sense of belonging, identification and endorsement of decisions made on their behalf, (Slocumand, 1998). Such leadership quality enables people to hold authorities accountable for public goods, public funds in terms of policies. This then allows public funds utilized for major projects and schemes be directed to the intended objective, goal and achievements. Informed people's participation, (Dreier,1996) maintains engagement for debates participation directly, indirectly in local and national situations. Therefore, participatory practice detail making space that envision a different world to people which opens the possibility to existing power and relations which lead to that vision achievement, thus, the

IEEP.

### **6.3 Leadership alignment of national policies to partisan politics**

Throughout the developing countries in Africa there has been a trend where efforts to depoliticize empowerment programmes is at watch. (Fukuyama, 2013) argues that governance quality denotes the extent to which administrative actors can implement the policy goals of their political principals. Thereby, empowerment should be for everyone, meaning 'living no one behind' in a nation. It should be the will power of the leader at top to maintain systems and procedures which eliminate partisan and political affiliation in policies that affect the nation as a whole, (Magure, 2010). A state economy is built by all its people hence, programs that matter to a country should not be stolen by the elite who will be politically connected, official to public institutions to buttress mileage in maintaining political power. Implementation has to be carried out in a manner that excludes entryism, loyalism, patriotisms or taken as a private matter rather than a public matter. Policy implementation should be nonprofit while by addressing a problem hence, (Sibanda, 2013), this will enhance transparency, accountability which the rule of law must over prevail, doing away with chaos and individualism on public resources. Agency of implementation must stick on exercising lawfulness without the fulcrum between politics and administration.

### **6.4 Communication ethics and information access**

Rule-bound and independent bureaucratic ethics inspire administrators to disclaim this discretion rigidity, 'one-size-fits-all' tactic to policy implementation. Mostly, in developing governments claim 'just following the rules but people in general instinctively comprehend that they are essentially following one interpretation of the regulations and applying it lacking regard to our unique settings. Referring back to chapter five, the IEEP publicity was insufficient that vividly entailed that the people of Zimbabwe had inadequate knowledge to participate fully, where in most cases misleading information portray the public policy as partisan. Decisions are problematic to make with little or no appropriate knowledge, (Machiya, 2014). It is therefore critical for the government of Zimbabwe to keep curtain raising information on the importance of the IEEP, substantial awareness and accuracy as proper as it deserves. The role and

procedures for all citizens to participate, how, requirements, possibility of funding, licensing, proximity, monitoring should constitute the critical parts of the information dissemination accessibility. Also, (Zhou & Zvoushe 2012) claimed that communication of those that have benefited, achieved, youth access, and law procedures should be on public accessibility.

It is a fact that citizens with full knowledge participate and take advantage of opportunities, rights associated with nation programmes and put the state and public officials accountable to actions and of public offense. Referring to the UNESCO advocated concept that knowledgeable societies have the citizens capacity to acquire knowledge and information that empowers them, (Zhou and Zvoushe 2012). Government setting a “functional information strategy” for Policies hence, the power for continuous installing transparency, accountability and which gives credibility to programmes, (UNDP, 2019). This will give assurance and national commitment to IEEP programmes as well as future programmes. Policy legal jargon in papers presented to lay community people prove a challenge in comprehensively understanding the technical language in times of consultations. (Chowa, 2013, alluded that the local community people failed to understand the circumstance, rules and regulations, monitoring and evaluation of the CSOTs. Government openness in campaigns of public information should be consistent with fully educating and addressing their possible rights. These conventions of public being well informed lead to citizens' inclusion in public policy debate, analysis and evaluation. Media coverage makes an impact from gate-keeper to end-users. (UNDP 2013) fused that progress reports, midterm reports, government portals, regular and formal progress reports as well as public briefing are key forums of public inform access platforms.

## **6.5 Innovation and overhauling of the agricultural sector in Zimbabwe**

### **6.5.1 Property tenancy**

Compared to this context, agronomic productivity development is the fundamental policy to pledge agricultural transformation and raise income, living standards of the poor, (Alvarez-Cuadrado & Poschke, 2011). Government and state administration should demonstrate vision, champion agriculture

while lending national agricultural plans, multi stakeholder platforms which drive agrarian transformation. In the Zimbabwe economy, agriculture is essential to guarantee food security and livelihoods of household level henceforth, requiring primary focus of terms to Indigenize Land, (Mandizvidza, 2009). Greater accountability, alignments while constantly measuring progress on Agricultural targets which impact food security that is vital for nation development. Indigenization of land saw Zimbabwe accumulating high import bills due to low productivity by newly settled local farmers. The main concern for the government should be prioritizing land ownership as well as attending concerns of security of tenure. The land redistributed to local indigenous should be availed on a permanent basis hence, creation of strong frameworks for collaboration constructing upon mutual accountability between private sector, government itself, development partners as well as the local indigenous people. Truthfully saying, (Sibanda, 2013), access to land without offer letter or deeds does not uphold security tenure, thus, 'it is not indigenization'. For if the land remains in the state ownership if impossible for empowerment to transpire and kick start. Land as an asset has to help newly settled farmers to acquire access to capital for development, (Mandizvidza, 2009). The government should fast track the issue of the 99-year lease as it planned prior, and title deeds for these farmers to access loans and use deeds as collateral and surety, (Pazvakavambwa, 2012). In essence, if land is a noncommercial asset hence people are not fully empowered while they rely on assets with high risk. (Moyo 2005), declared that indigenization is owning land.

### **6.5.2 Support of new farm entrants to agriculture and farming**

Modernization and mechanization of land and agriculture has to be the priority of the government for transformation by the resettled farmers. Agriculture revitalization in one key employment creator and viable component of the economy, (Sachikonye 2013). The Zimbabwe government should employ an organized new policy to mandate Capital utilization while increasing production level which will assure reduction of food imports thus gear up exports resulting to foreign currency surplus. Cooperation of settled farmers is also key to development, (Moyo, 2005).

As a government, its framework of national agriculture should be based on machinery and equipment acquisition, seed technologies, production technologies, infrastructure development, practical training of agricultural skills at commercial level, harvesting technology as well as market development, (Sibanda, 2013). Creation of one shop for agronomy, research hubs, agrarian psycho-think tankers would be critical for commercial training as well as informed critical policies in that respect. Spreading from the traditional raining season to irrigation farming would aid production, (Gono, 2013). Also, Government Empowerment approach has to put full force on Market distribution, value chain as well as helping farmers to negotiate higher prices when selling products for example international tobacco prices. Government has to create solutions that sustain commercialization, right cost, ear marked time, (Kangethe and Serima, 2014). The world of Donor Aid neither west 'Europe' to East 'Asia' has since not been effective or has halted, hence it is the Government of Zimbabwe to align its strategy to gain Capital investment for its Development. Such Capita investment will allow the government to reinvest into commercial farming and become competitive worldwide.

### **6.5.3 The Community-Based Ownership trusts and schemes**

The criterion to well-function of CSOTs was affected by specific challenges that came in form of the Finance Act (2018) which repealed some of the 2010 schemes which were an assortment of achieving the government's indigenization policy. The schemes are used as a measuring tool to assess the degree of obedience with the 51% - 49% principle articulated in the IEEP and law. This ensures that communities are directly benefiting from natural resources which is ethical and most important to sustainable development and socio-economic cohesion. Communities have to be empowered with skills that influence effective participation in CSOTs. Reduction of partisanship, entryism and patronage has to be eliminated to spearhead capacity building for communities all members benefit, (Kanyenze, 2013). Thus, CSOTs is a great idea but should be guided by lawfully dignified management, transparency and accountability so as to make sure intended goals by the State are achieved while curbing office abuse by individual or party-political mileage. National Audits, independent audit as well should be contacted at intervals, (Mabhena,2012). In the process, those resettled in discovered minerals have to be fairly

compensated inline to gazetted regulations, laws concerning social, economic, and cultural inconveniences associated, (Kanyenze 2013).

#### **6.5.4 The factor of licensing and permits**

Decentralization of government issued documents has been at the cutting edge throughout the world which Zimbabwe is not excluded from. Too many bureaucrats involved in licenses and permits for Indigenization leave loopholes of corruption, nepotism, narcissism and excessive time frame of processes which demotivate investors. Depoliticization in line with global standards in mining governance and land proprietorship will play a critical role in quick developments, (Anderson, 2011). Administration practices have been revamped and revisited over the years. Formation of research boards for Intra and Extra governmental checks proved developed decision making, transparent as well as creation of objectives in Administration Sector. There should be public interviews for board members by plotting a cross-sectoral to curb conflict of interest of the Agency problems, (Mtisi, 2013). For instance, in Ghana, (Anderson, 2011) since selecting board members reinforce transparency; a commission was created to supervise Administration of Petroleum revenues which comprise of trade unions, media and academia as well as civil societies with a grand-stand by the nation government audit in awarding of licenses and mining permits. One stop shop for licensing, digital complemented by physical issuance should be put in place to eliminate fraud and corruption while promoting efficiency and transparency management and administration of licensing, (Mtisi 2013). This then will conform to objectivity, consistency as well as transparency to security ownership which will secure better negotiations and deals for Zimbabwe hence, competitive awarding. The Ministry of Mines has to announce rationale awarding contracts through competitive tender's hence elimination of kickbacks while benefiting the country and guarantee bidding at maximum value, (Mabena, 2010).

#### **6.5.5 Obtainability of foreign direct investors and other potential investors**

The technique utilized in the implementation of IEEP as discussed in chapter five (5) reflect that it was

haphazardly implemented causing negative output and decline of productivity thereby causing plunging of the economy. For healing and resurrecting, (Makwiramiti, 2012), Zimbabwe's ability to be restored as well as capacity to be productive and producing the problems and challenges caused by the impact of IEEP implementation has to be addressed. For this to materialize, through the same state leadership and administration have to source investment with a conducive environment and security to property as well as finance security. Be that as it may, the reflection in indigenization laws of Zimbabwe, environment, and financial flexibility by inflation seems to be pointed as unfavorable investment destinations. The potential investors peep in negotiation while finalization of deals never comes to start. The formation of legislation gave a structure of random implementation which haunted the government failure to secure neither source foreign lending for instance IMF, world bank amongst world lending institutions, (Mawowa, 2012).

The legislation of commanding 51% ceding whilst companies acquire 49% is an adversary strategy that daunts potential investors willingness, unless the government grants tax holidays, compensate through market value, low corporate taxes that lure FDI. Generally compared with developed nations, compensation of investors with advantages will compel the willingness to make Zimbabwe a destination of investment. There should be a continuous process of adjusting the IEEP regularity to accommodate investors hence market stabilization. In the process the promotion and growth of Economy is realized, (Gono, 2013). Long term production requires a long-term budget from long term planning and organizing henceforth, the investors require the following; assurance, consistency, environmental security, financial security, political stability to fix investment. Predictability within a country economy and political stability is critical for investors where the law has to be fair, transparent which case eliminate discrimination and vindication. Negotiations in good faith between Government and investors are critical while giving allowance for flexibility in key areas to finalizing deals, (Nyambabvu, 2013). (Bloch, 2013) alluded to that, Economists observed that the IEEP was shallow in the sense that it focused on Economic Empowerment and relationship of ownership while brushing aside the impact of FDI as well as international lending facilities.

### **6.5.6 Rewards for reviving the Zimbabwe economy**

Making Zimbabwe an attractive destination for investment is critical for the majority of its people's living standards and Southern Africa region. When investors come within an economy new companies and local companies expand while overcoming any dynamic challenges, (Bell, 2010). It is fact and real that the existence of investors leads to a high employment rate, increases the tax base for the government, raises living standards of citizens and brings competition within the market while probing for exports. Government parastatals deemed government owned companies and other organizations will expand the economy for efficiency while boosting all major sector services. This then (www.economic.co.zw), open line for reduction of external companies' reliance.

A country is surrounded by neighbors hence, regional economies and businesses will benefit as migration of workforces is reduced, high income means high spending leading to government realizing increased revenues. Investors need profit and they are in business to do business therefore require high dividends, profits on their investments since they are not donors nor humanitarians, (Maguire, 2010). Investors require multiplier effect hence; it is critical for spin-offs in processing operations where ratio of changes in income are compared to expenditure while dividing total bank deposits using reserve obligation, (www.economic.co.zw). It is key for investors to realize money to create more money thus called the Multiplier Effect.

### **6.5.7 Compulsory reforestation for sustainable development**

Resettled tobacco farmers in Zimbabwe adopted the use of firewood to cure their product. This has caused a price to the country's commitments as a United Nations member on agreements to the International Convention to combat Desertification, (UNCCD). Though afforestation provides humans with raw material they need to utilize without harming nature whose benefit extends forests to barren lands leading to economic growth within the country. Though Indigenization challenges land degradation and desertification it does not concern the small-scale farmers since wood fuel provides a total of 61% total energy supply while 96% of rural households depend on fuel as of 2018. It is



scientifically proven that land degradation and droughts are key to forest and biodiversity losses while climate change leads to rainfall variability while in Zimbabwe causes severe droughts.

In Zimbabwe woodland afforestation has not been done for a long time that has caused wetland dryness. Seeding and planting of woodland is at critical point needed and its transformation minimizes greenhouse effect and has a positive impact to curb over-cutting and obliteration of natural resources, (Gupta, 2010). Wildlife requires human protection therefore, plants, trees reinstate ecology balance. Definitely, Zimbabwe afforestation is vital to prevent soil erosion as logger paths are created as people cut trees to cure tobacco. A levy on every bale of tobacco sold should be gazetted towards forestry rehabilitation, (Adler et. al 2007). A committee must be set between the tobacco board, farmers union, and the forestry commission to pave the way for afforestation while tobacco farmers migrate from the use of trees to other sources of fuels such as coal, charcoal etc. Noting from this study, (Gupta, 2010) elaborated that a huge afforestation programme is required as demand for wood fuel, timber high demand. There is a necessity for development of afforestation programmes to conserve and protect forestry and creation of new models.

### **6.5.8 Tightening laws against dodging and circumvention of tax to government**

Generally world-wide dodging taxes happens and it takes two forms that is 'tax avoidance' which is legal as it uses loopholes and 'tax evasion' which is illegal hence, the multifaceted campaigns against tax targets corporations and individuals. Zimbabwe government legislation on mining has to curb unwarranted incentives to foreign owned companies; (Mtisi, 2013), instead set international standard tax policies that are appropriate to deal with the control of Capital flight referring to economic methods of avoidance and evasions. Unlike what Norway did to formalize tax collections through the national treasury, the Zimbabwe government lost billions of dollars in revenue due to unregulated mining practices. Continuous research for association advocacy to illicit cash flows in natural resources and mining should be gazetted by Parliament, (Matimairé, 2014).

Government does not work in isolation therefore it was criticized by a lobby group on the anomaly to appoint the Mining Development Corporation board Zimbabwe without the mining and amended versions of law to ensure accountability and transparency in the Sector and country at large. The lobby groups argued that appointing the Board means nothing if desired outcomes are not achieved through rigorous accountability procedures, (Mutisi, 2013). The responsible Ministry has to continuously monitor and develop mineral policies while closing existing and developing gaps to ensure revenue is received at the National Treasury under the Ministry of Finance and Economic Development. Government has to remove restrictions on access to information by the media, general citizenry, civil society, stakeholder and all who have the right to information giving flexibility for a conducive environment and transparency in government administration.

### **6.5.9 Fighting/combating against corruption in the economy**

(Ngwakwe, 2009), outlines corruption in the economic angle as a non-violent criminal and illegitimate action with an objective to earn wealth illegally either in groups, organized manner or individually while violating the prevailing legislation that governs the economic activities of Government and its administration. Corruption weakens democracy, erodes trust while hindering economic development and further worsens social division, inequality to poverty leading to an unintended environment crisis. Furthermore, corruption consists of behaviors of bribery, nepotism and misappropriation. Based on the characteristics scribed above, (Osinbajo, 2009), corruption is a cancer, political and moral ethical decadent that destroys countries as well as its economies and communities. Corruption diverts resources intended for the public development to enrich the few or elite while costing economic growth which subsequently discourages investor confidence and ineffective public programmes.

Politicians and public service officials are positioned with opportunities to public funds and government assets which the abuse for private gain is very high, thus the political will is to essentially promote good governance and tackling corruption. Anti-corruption commissions appointed by the executive for it to

be effective the will of politicians has gone beyond just ceremonial speeches. Political will goes beyond being Trustees and entails leading by example whose mandate is where corruption is pointed, they swiftly launch investigations against such activities, (Cwati, 2004). Giving the biting teeth as a strengthening power, and avoiding catch and release situations is critical to curb corruption in Zimbabwe through the anti-corruption commission without limitation. Of the current, however, concerns of those politically connected is overpowering the anticorruption commission which requires the judiciary itself to tackle. In Zimbabwe though the anti-corruption commission has no security tenure while they report to the Ministry of Justice, the President has a say over it. Those investigated and found to have committed offense and declared guilty still roam free and its essence has lost public confidence. The mandate and power of anti-corruption should be restored, (Nyoni, 2013).

Consequently, a major focus to challenges the anti-corruption commission is facing in Zimbabwe is to create strategies such as; mandate them to tackle corruption at all levels using the enforcement, that is referral for prosecution after investigation while prevention and education stand ground. The agency has to perform duties without fear or favor. Even those politically connected if caught on the other side of the law sympathy has no place in offense. These critical institutions if well-funded are handy, if well utilized the economy will grow without prejudice, corruptions while decisive and effective actions are applied, (Nyoni 2013). The Zimbabwe anti-corruption commission should emulate the Korean Independent Commission Against Corruption (KICAC) which coordinates monitoring of agencies, which are known as the watchdogs. They produce policies, orchestrate preventive activities for example, institutional improvement and educational programs, receive complaints from the public, work to detect corruption by investigative procedures and also evaluate the anti-corruption activities of other nationals, and internationals as well as organizations.

## **6.6 Chapter conclusion**

With the in-depth study combining the arguments mentioned above the IEEP implementation model requires a continuous adjustment, refurbishing, legislation amendments as a guide to potentially make

meaningful socio-economic and sustainable economic emancipation to the majority ordinary indigenous Zimbabweans and the role they can play to the Economic growth. The models have to eliminate entryism and being non-partisanship while emphasis solemnly focus on Indigenization and Economic Empowerment which have the mantra that '**no-one is left behind**' this will make everyone involved and have buy-in to the state prospect economic growth neutrally. All that being discussed, the chapter clarified the fact that access to land does not mean Empowerment, retrieving productive assets without capacity neither capability to produce is not the control nor lead to emancipation of indigenous Zimbabwean people.

Today and future Zimbabwe Indigenization Economic Empowerment policies has to focus on Partnerships of Mutual Beneficial Approach lined between the ordinary Zimbabweans, government and the foreign direct investors. Models of tackling corruption have to be researched and put forward as a solution to the Indigenization Economic Empowerment policies. Also, such movements will curb exorbitant beneficitation of the few or politically connected at the expense of ordinary people. Also, the transfer of shares from foreign owned companies reach intended indigenous and local communities with accountability and transparency. Communication ethics, rights to information is effective to Indigenization Economic Empowerment policies which will increase participation and feeling of ownership and involvement by ordinary people. Such factors above impact the government accountable in formulation of economic and social development ideologies whose ordinary people can actively be involved. Be that being alleged, for efficiency and effectiveness Good Governance in Zimbabwe is required, which calls for radical change in the current status quo Culture and ways of policy formulation and implementation strategies.

## **7.0 CHAPTER 7**

### **7.1 The recommendations, summary and conclusion**

#### **7.1.1 Introduction**

The Indigenization Economic Empowerment Agenda should be a never-ending continuous process for improving the lives and living standards of all ordinary Zimbabweans, hence, sustained as a lifestyle rather than a once-off programme. The chapter in this study will put down recommendations in various areas that will encompass the rule of law, sovereign wealth funds, community schemes, research and training, Cooperatives, conservative planning, institutional capacity among others.

#### **7.1.2 Observing and abiding to rule of law**

The Zimbabwe state is a plural, hybrid legal system as the currently in force law is a mixture of adopted composition from foreign jurisdiction emanating from the colonial era who's specifically the IEEP law that Zimbabwe government shaped exhibited inconsistent with other sectors Policies and the National Constitution. This resulted from several amendments in the laws and legislation of IEEP. Being that point out it has caused a number of misleading legal issues that relate to land, its redistribution and proprietorship and ownership. The policy in Zimbabwe has of prior rowdily been very unpredictable that make project forecasts problematic as well certain policies and programmes in the Economy colliding, (Bell, 2010). The three arms of state 'Executive, Judiciary and Parliament' have to make demarcation to prevail for robust evaluation and monitoring which then will ensure protection against the constant and interval amendments to Laws. Continuous bringing of new policies on top of in progress policies or before evaluation of success achievement of preceding laws/Policies has to be reviewed with priority, 'one thing at a time'. The Zimbabwe judiciary should campaign independently from Executive the power to align all legislations around all sectors in the economy; hence, (Magure, 2010), indigenization economic empowerment will become favorable, thereby encouraging attraction to Foreign Direct Investment and also promoting local investment while curbing corruption within the Government system.

### **7.1.3 Solidification of institutional capability**

Zimbabwe challenges are along lines of mobilizing Capital which is the huge problematic hi-cup in the progression of indigenization economic empowerment. Capital injection to indigenization will balance capacity building initiative while balancing empowerment programmes which will achieve improvement to the programme sustainability and development focusing on country economic growth. Generally, the CSOTs are important for communities' development and lives of the occupants hence, benefit; the National Indigenization Economic Empowerment Board (NIEEB) should take aggressive steps towards ensure the employees, communities and the intended ordinary citizens are provided in line to the state intended goals instilled in the Policy of Indigenization, (Chiwunze, 2013). The government of Zimbabwe has to nationalize powerhouse institutions while strengthening liberalization of business leading to superintendent empowerment progress. The continuous refurbishing of IEEP guarantees major achievement of goals to the IEEP. The institutions should have independence power to enforce laws abiding to progression and their growth which will enhance the monitoring and evaluation along related programmes. By doing so, the scheme/agenda of empowering indigenous local people through ownership of economic resources will continuously improve, (Thabane, 2014).

### **7.1.4 Value addition on projects affiliated to empowerment- use of 'Expanding Pie Theory'**

Indigenization should not be focused around redistribution or ownership neither appropriator-ship programmes only but has to break-even at growth well. If empowerment is considered in a growing economy poverty alleviation tasks become easier hence, implementation will be successful strategic policies and policies than in shrinking. Checking on the example of Zambia which used persuasive arguments that no economy can be competitive in the absence of a majority in the national mainstream were also South Africa commands the same ideology, Zimbabwe will not be an exception. Formalization of small to medium enterprises as well as creation of entrepreneurship spirit to products of national value and exportation should be commissioned for the capital benefit of the economy. It is

therefore a fact that the IEEP will unlock marginalized groups who previously were excluded. In the Malaysia National Empowerment Policy, they developed the so called 'Malays' who were educated, sophisticated, honest, knowledgeable, disciplined, competent and trustworthy whose heads of the departments were scientists, surgeon, bankers, aviation etc. hence, become influential while negotiating and attracting investment to the origin country and region, (Mohammad as in Shamsul 1997:256).

### **7.1.5 Dedication to funding of Research and Development- (R&D)**

Zimbabwe is releasing more than 40 000 young people from Universities, Polytechnical Colleges and Teachers Colleges who become idle after completion of studies. These people should be utilized or registered or employed after creation of a whole Ministry for research while those students in final year are registered to be future researchers. All that come out of the Research Ministry will have intellectual property rights and be utilized as the country property. Be that as it may, Technology is trailing, mechanical equipment trailing while polytechnics are equipped to sustain the economic momentum through constant improvement of knowledge, technology manufacturing activities. The People who get scholarships from the Government, bilateral agreements, a strategy should be designed, a package and possible conditions to lure them from disappearing from the National government or out of the country which will enhance the economy toward research and development. For example, the South Korea Government has created and take priority in funding research institutions such as Korea Institute of Science and Technology (KIST), Korea Research Institute of Chemical Technology (KRICT), the Korea Institute of Science and Technology Information (KISTI), Robot Research Initiative (RRI) amongst others. If Zimbabwe takes the component of Research and Development as Priority it will spearhead IEEP embedded in the programme. The research and development would guide the new and old entrepreneurs on the contemporary best practice in running enterprises as compared to first world countries thereby, boasting the national Economy Growth.

## **7.1.6 Independence of oversight institutions while strengthening evaluation & monitoring systems to curb corruption**

Fronting is criminal conduct and a by-product of corruption in Zimbabwe which impacted the implementation of the IEE projects and programmes. Failure of transparency and accountability causes national resources being grabbed by individuals for personal gains leading to economy shrinking economies and capital flight. Institutions associated with the IEEP such as Anti-corruption Commission, the Forestry Commission of Zimbabwe and Review Committees of IEEP Police, Judiciary should be funded fully for members to be contented and fight against corruption, hence, the government intervention without fear and favor from Executive Arm and other outside forces. Also, methods suitable for evaluation and monitoring IEEP continuous progress implementation with credibility should of priority while finding and results are critically analyzed and used in future project of project and policies. Also, Zimbabwe has to employ the National Integrity System approach that is a model critical in prevention of corruption in the country. This type of model will give clear good governance and demarcation of binding rules to institutions such as parliament, executive and judiciary thus boundaries which is a formula to economic growth without corruption. In any country, (Business Council of Zimbabwe 2011), with an honest mission to empower its indigenous people key institution functions should be protected against corruption and always on the check.

## **7.1.8 The community trusts and schemes**

Using the research as theme to IEEP it elaborated that the communities have to be involved in the decision making and operation of Community Share Ownership Trusts CSOTs. Institutions around communities such as Mines council and boards, Government local and national, rural district councils should create forums and mediums that solemnly focus on beneficiation methods, systems, models, for communities aligned to IEEP as well as aligned projects. Imposition and safeguard environment with community should be upheld when issuance of permits and licenses, (Mabena, 2013). The Ministry of Indigenization, Ministry of Youth, and other aligned ministries have to co-work to make sure issues of community development locals are involved. The community schemes and trustees have to focus on



entrepreneurship projects, enterprises, community infrastructure, collective promotion of empowerment thus, creation of employment and economic growth along the way, (Matunhu, 2012). The (Mabena, 2013), indigenization economic empowerment must entail inclusion of individuals, groups, cooperatives monitored by experienced, skilled, experts and knowledge official personnel in their projects.

### **7.1.9 Creation of national reserve wealth funds**

Using the ideology from countries that had successful implementation of indigenization economic empowerment, establishment of National Reserve Funds, (NRF) is ideal for maximum creativity to the utilization of natural resources, a case of Norway. Globally, nations are taking such a model as a practice which achievement has come to pass in the first world countries. It is a great way for developing governments to disengage in debt traps, IMF and world bank credits hence, NRF sustain development for future generations. The NRF is considered as a state-owned fund put aside to focus on development of education, infrastructure and other projects of national concern to development, (Al-Kasim, 2006). Zimbabwe should emulate or replicate positive models and adjust them to sustain economic growth from countries such as Botswana, Malaysia, Norway in capitalizing on revenue generated from oils, diamond and other abundant natural resource exports. Norway government Pension Fund funded from oil revenue, (Thurber, et. al, 2011). Botswana economy is based on diamonds, thus good governance and resource management. These countries have high living standards of the ordinary people while accountability and transparency are the priority of national Governments. Zimbabwe can only develop, manage, conquer while making profits learning from strategies utilized by other nations.

Numerous countries in the region and abroad or globally have promoted the welfare and economic participation of their citizens while giving clearance and due environment to FDIs setting pace for requisite economic role play. Malaysia declared 31% ceding while Zimbabwe declared 51% ceding to indigenization which is not a noble idea to foreign-owned company businesses as they are in business to do business not philanthropies nor being present for corporate social responsibilities. Zimbabwe

should have implemented such a high percentage gradually which the local people gain control of the Economy. Also, Zimbabwe should allow investor assurances and incentives as protection to equity while enforcing compliance with a rule of law rather than threats, (Thabane, 2014). (Masungunure and Koga, 2012), Critical tax holiday, incentives give guarantee to investors while government attracts FDI in the process intended objectives of IEEP achieved.

### **7.1.10 Protection and preservation planning for environment**

The protection and preservation of trees by maintaining constant assessments and strict regulation enforcement have to be key to sustainability of woodlands and forests through the Environment Management Agency, (EMA) which is a regular for environment protection in the country. The institution has to be funded enough and equipped efficiently through resources to reach every corner of the country with a motive and capability to assess the environment while ensuring the projects of Empowerment follow principles of Land Preservation, (Pazvakavambwa, 2012). The EMA has continuously for decades encouraged minimization of soil erosion while suggesting a model of land preservation farming. Flora and Fauna destruction is widespread hence distortion of the ecosystem thus poor management of environment which EMA has the legal jurisdiction and power to over the challenges by farmers. (Christie, 2013), mentioned that, articulating monitoring and enforcement of environmental protection rules production will be achieved in a sustainable manner.

It is in this study that emphasis and priority have to be applied to continuous consistency for decades and at intervals the re-evaluation and negotiation of mining contracts, conditions, permits to promote accountability and transparency in the mining sector as well as land usage. Presently there is no provision for action to reevaluate those mining contracts to rectify or take comprehensive action against mines not bringing value or revenue to the nation's economy. Individuals of the top elite are manipulating national resources for personal use where the tax base for government is suffocating, (Anderson, 2011). Mining revenue should be publicly disclosed which is transparent through the Zimbabwe Mining Revenue Transparency Initiative, hence should be fully equipped. The focus to

compact corruption in all sectors and circles of the government Broader objective, goals and aims are efficiently realized and achieved. (Saunders, 20017), argued that sincerity with public funds produces a generation of credibility, honesty, efficiency and accountability for the state; this environment also creates and preserves the natural national resource for the future.

### **7.1.11 Continuous implementation of the IEEP over three to four decades**

‘Empowerment’ which in Zimbabwe is IEEP agenda is a massive program that started in 2008 and seem to have public sluggishness, lack of continuation and only arouse in times of election campaigns through the revolutionary party for political mileage. The IEEP should not be considered as a short-term programme nor an ending event but it should go beyond one general and to the next for decades while commercially scaling it as a perspective point to fund the country's economy forever, thus, “internal investment, local investment”. For instance, the Malaysian National Empowerment Policy (MNEP) went for two decades (1971-90) which they stood as an implementation period that would create the Malay entrepreneurship while, after that it progressively continued till goals and living standards of people are achieved by indigenization. The MNEP made progression by pronouncing successor policies that conform or form successive Annual Malaysian Plans there Zimbabwe ambition for successive IEEP should emulate the predecessors of the same program implementers not as a 5-year period plan Zimbabwe ha to considered how countries like Malaysia, Norway extended the period of implementation from 5years to more than 3 decades. Time is a resource and a resource is money, therefore, money is time, to realize investment a long period of time has to be afforded to the policy makers to take consideration of stock progress, progress, implementation progress, regular reviewing the programme processes, taking lessons throughout the implementation process and conquer environmental demands thus successful policy implementation.

## 7.2 Research summary

Zimbabwe Indigenization Economic Empowerment Policy has been discussed in depth, analyzed fully hence, evaluation brought an understanding comprehension to policy implementation matters. The IEEP research was based on the four questions whose aim was to understand the matter causing disgruntlement/dissatisfaction within the majority citizens of Zimbabwe as well as bringing transparency evaluation while examining the impact the IEEP had on Ordinary Zimbabweans and economic Growth. It is a fact that the IEEP purpose was to correct colonial injustice, imbalances and inequality of use of Natural resources while giving empowerment to local communalities of indigenous people to have full control over economic activities and their full participation. Be that it may, the implementation was done haphazardly, disorganized, negligence to rule of law thus defying the noble objectives of the intended outcome as the State deemed wanting. The legislation of Zimbabwe became inconsistent and mixed to unpredictability, hence, this deterred private property protection rights, discouraged investors (FDI) for capital investment-(injecting), rendered available capital to flight while threatening local indigenous people through partisanship and entryism. These effects have profoundly damaged the Zimbabwe economy slide sloping, contentious hyperinflation, continuous shortage of foreign currency which all has fragility and damaging impact to the economy growth.

The learning research also showed that the Indigenous Economic Empowerment Policy of Zimbabwe gave ground and benefits to the elite and senior ZANU PF loyalists and members advantage while skipping the intended goals of empowering the indigenous local ordinary people. This is evidenced by the period when FTLRP happened (grab of land and mines), the ZANU PF elite and army generals acquired multiple commercial farms for personal and individual business use while hiding behind the policy intended to benefit all citizens. Furthermore, the argument that the IEEP is politicized causes the majority to be threatened that if they do not buy-in the philosophy, they get nothing from the Policy. ZANU PF continues to use the pretext of loyalism (cardholders' benefit) while the empowerment is there for all Zimbabweans. Lack of policy information access has caused unaccountability, participation withdrawal by majority, and lack of transparency. Which means there is an agency problem, Government

vs the people. Different authors argued alleging that the Political factors like patronage, patriotism and corruption have hindered IEEP implementation booming. Subsequently, to secure benefits from the IEEP Zimbabwe has to refurbish the Policy, continuous implementation, introduce policies aligned to it. All sectors and legislation should be aligned to IEEP; hence, Zimbabwe will be relieved from debt trap and have investment liberation while never being a colony again.

### **7.3 Research conclusion**

The Indigenous Economic Empowerment Policy facts in the study were unearthed, thoughts and designs which should be of lengthy to help policy makers to prepare for, or altogether avoid such undesirable consequences that may be instigated by implementing policies in Future. Indigenous and Economic Empowerment Policy was and is to economically empower Zimbabweans who are indigenous through Economy involvement, create conditions that eliminate poverty and engage in activities to Economy Growth.

Indigenous and Economic Empowerment Policies in Zimbabwe are conditional to foreign direct investment only where it does not contain meaningful participation of ordinary Zimbabweans. This then give an impression or perspective that the policies are economically, politically and socially unsustainable and unmaintainable. It is a fact throughout the globe that, for the majority of a nation to have empowerment, indigenization, upgraded living standards, share of resources and control of resources the government should create the existence of peace, stability and factual independence as well as economic independence. Yieldingly, Indigenous and Economic Empowerment Policies should be grounded on Public Private Partnership amongst Foreign investor and indigenous people thus Zimbabwe attain all-out value of Natural Resource exploration.

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## Abstract in Korean language

국문초록

짐바브웨의 공공 정책 이행과 경제 개발:

토착화 경제 역량 강화 정책 IEEP의 통찰력 2008-2021

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이전 19세기에서 20세기에 식민지였던 국가들은 토착화 경제와 권한 부여 라고 불리는 과정을 통해 경제적, 생산적 자산의 얽히고 설킨 소유권을 바로잡기 시작했다. 해당 조치는 식민지 불균형과 불평등으로 인해 발생하는 자원 형평성을 고치는 데에 초점을 맞췄다. 권한 부여 계획은 국가들이 이러한 프로그램을 처리하는 방식에 따라 다양하게 나타났다. 말레이시아, 남아프리카공화국, 잠비아, 브라질, 그리고 최근 짐바브웨를 포함한 국가들은 토착민들을 토착화하고 경제적으로 힘을 실어주기 위한 운동에 동참했다. 이 계획의 동일한 이유는 국가의 사회경제적 성장의 주된 흐름에 있는 활동에서의 일반시민들의 내포된 활동으로부터 해방시키는 것을 들 수 있다. 이러한 수정은 자원 소유에 대한 형평성을 개방하고 이전에 박탈당하고 소외된 원주민 인구, 즉 부당함과 식민지 권력의 불균형으로 인해 발생한 집단에 생산적 자산을 재분배함으로써 이루어졌다. 저해요인이 지역 사회의 취약성과 고립을 경제 성장에 참여하지 않는 일반 원주민들에게 야기했고, 그들을 가난하고 불리한 상태로 남아 있게 했다. 본 연구논문은 짐바브웨의 토착화 경제적 권한 부여 정책을 인상적으로 보고 이를 평가하기 위해 심층적인 이해와 분석을 추구하였다. 대체로, 그 과정에서 일반 시민에게 권한을 부여하는 것은 무시하는 반면, 토착화 경제 권한 부여 정책은 정치인, 육군 장성 및 여당 충성과, 그들의 가족에게 국가 자원을 움켜쥐고 장악할 수 있는 권한을 부여하기 위해 고안된 법적 수단으로 지적되어 논란이 되었다. 이것은 정책이 국가 자원에 침투하고 주요 개인적 이익을 가질 수 있는 개인 정치인, 엘리트들에게 접근을 허용한다는 국가적 주장을 낳았다. 더욱이, 이 정책은 올바르게 구현되거나 실행되지 않는 경우에만 기록에 저장된 좋은 계획일 뿐이라는 이유로 경제적 도적 행위, 불공정 관행 및 수용을 저지르고 검증하기 위해 엘리트들에 의해 계속 사용되고 있다고 비난 받고 있다(Ibrahim et, al. 2017). 이 연구는 짐바브웨 대다수가 정책의 의도대로 이익을 얻는다면 국가에 부합하는 시놉시스를 찾는다. 이 연구는 짐바브웨 공화국의 정책 효과와 효율성뿐만 아니라 목표, 제약 요인, 실행 절차, 법치주의의 성과에 대한 균형 잡힌 평가를 통해 증거를 격렬하게 모색했다.

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