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Examining the Indigenisation and Economic Empowerment Programme of Zimbabwe

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Abstract: ***After independence, many African countries embarked on economic empowerment policies as a measure to address massive colonial injustices. Former colonies conceived and implemented post-colonial policies aimed at addressing socio-economic inequalities brought by their colonial masters. In similar fashion, the Indigenisation and Economic Empowerment Programme (IEEP), was adopted with a view to uplifting the socio-economic status of the indigenous people of Zimbabwe. Contrary to the IEEP objectives, programme failures outweighed programme benefits thus leading to economic deterioration in the country. This was mainly due to the structure of the programme, implementation irregularities, inconsistencies, corruption and the politicisation of the programme. This study examines the Indigenisation and Economic Empowerment Programme (IEEP) of Zimbabwe. The study looks at the context of the programme, its relevancy and impact on indigenous Zimbabweans as well as its impact on the economy of Zimbabwe. Findings indicate that in order for the programme to succeed it needs to be restructured. Key amongst the new structure of the programme should include, IEEP funding, reduction of the 51% shareholding to be ceded to indigenous Zimbabweans target, training and development of indigenous entrepreneurs, attracting Foreign Direct Investments, wider consultations to achieve stakeholder buy-in of the programme, IEEP to be implemented differently across the different economic sectors and there should be strong oversight, monitoring and evaluation mechanisms in place for the programme to succeed.***

Keywords: Indigenous, Economic, Empowerment, Programme, Zimbabwe

1. Introduction

The colonial government policy frameworks in Africa relegated blacks to economic peripheries and poor agricultural land reserves. The colonialists controlled the provision of education to ensure that the missionaries would not over educate the blacks (Nherera, 2000). The Government of Zimbabwe realised that in order to address the issue of inequalities and marginalisation, there was need for a thoughtful policy of empowerment and preferential treatment in favour of local black industry and investment. Government felt that independence to self-rule was not enough whilst the domination of economy by foreigners and the exclusion of indigenous people from economic activities was still the order of the day.

This situation rendered the introduction of the common Fast Track Land Reform Programme as a measure to empower the black majority. Unfortunately, the land reform programme that was proposed as the right antidote to cure the problem brought about devastating consequences to the economy (Makwerere & Chiwada, 2014). There is a general consensus that the land acquisition policy did not bring any good to the ordinary Zimbabweans at large (Marazanye, 2016). The government then brought in the Indigenisation and Economic Empowerment Programme (IEEP) which was meant to directly link the indigenous Zimbabweans to the economy. The major problem wass the failure to implement socio-economic policies that were formulated by the government in a bid to address massive colonial imbalances.

Policies such as the Indigenisation Policy and the and reform Programme among others have only succeeded in initiating de-investment and further economic isolation from the rest of the world (Marazanye, 2016, Munyedza, 2011). The heart of Zimbabwe's economy is hinged on agricultural and mining production but there has been a massive decline in both sectors as a result of poor policies. Zimbabwe was known as the Jewel of Africa for its prosperity under the former Rhodesian administration (Moyo, 2017). Moyo (2017) observes that since independence the sovereign state has only been seen as the shame of Africa with a non-stop economic downturn under Zanu-PF government. Coman (2014) argues that the problem with African governance is that they put in place policies as a measure to buttress their ill-governance system. Against this background, this study examines economic policies that were put in place since independence to promote economic growth of Zimbabwe in general and to promote the livelihoods of indigenous Zimbabweans. The argument developed in this study focuses on the Indigenisation and Economic Empowerment Programme (IEEP) of Zimbabwe.

An international perspective of Indigenisation Policy

A number of countries across the globe introduced their indigenisation policies in order to rectify the malady of wealth distribution within their territories. The New Economic Policy (NEP) was introduced to correct the anomaly of wealth distribution in Malaysia between 1970 and 1990 (Abdullah, 1997). The NEP was a form of pro-Malay affirmative action in redistributing wealth and re-structuring society (Abdullah (1997). World Bank (1993) hailed the NEP as one of the success stories of a developing economy and an economic miracle of East Asia. Malaysia witnessed a constant annual economic growth rate of about 8 percent over the NEP period. Roslan (2001) highlights that NEP programme was a success in economically empowering the countryside. It raised the incomes of the ordinary Malay as well as reduction in poverty rates exceptionally from 49% in 1969 to 16% by 1990 and was further reduced to 5.1% by 2001.

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In Norway , the government slowly pursued a policy in improving its petroleum sector as way to ensure the appropriate rate of development and that industrial proficiency to be produced domestically rather than overseas. The energy sector plays a vital role in Norway's economy. The production of oil and gas contributes more than 22 % of its GNP, 46 percent of the value of exports, and 15 percent of its total revenues (Austvik, 2012). State involvement in strategic industries is a custom that has always been practised in Norway and is in line with the social-democratic policies prevalent in (Newendorp, 2003). In 1971 the Storting (Norwegian parliament) recommended Ten Commandments that would monitor the activities in the petroleum sector and the people of Norway coincided with the new policy. The major objectives was for the government to play a leading role in coordinating the interests of the country, the expansion of the petroleum-based industry onshore and the establishment of a state-owned Oil Company to manage the nation's business interests and to work together with other Norwegian and foreign oil companies (AlKasim, 2006).

In this manner, the parliament created government's own Oil company undisputedly called the Statoil. The company became a vital factor in the development of a national petro-industrial system (Grayson, 1981). The Norwegian Petroleum Directory was established as a regulatory body under the Ministry of Industry. The nationalisation policy in Norway led to high levels employment, growth and competence in state-owned companies (Wolf-Branigin, 2009). By mid-1980s Statoil had grown immensely, and was very profitable because it continued to benefit from full state backing. The revenue from oil production went straight to the public treasury.

The conceptual framework of the Indigenisation policy in Africa

The concept of indigenisation has been embraced by a number of countries at regional level especially those who passed through an era of colonialism. Chowa and Mukuvare (2013) reiterated that the era of colonialism across Africa encountered numerous forms of subjugation and marginalisation that was put in place by the colonial regimes through skewed land ownership, uneven education systems, unequal opportunities in employment and business. African countries decided to nationalise most of their sectors as a way to ensure the appropriate rate of development and that industrial proficiency was produced domestically rather than overseas (Stiglitz, 2007). The apartheid system in pre-independence South Africa (SA) used tailored legislation and governance systems to dispossess natives from their land and train Africans for certain forms of labour through Bantu education (Crouch & Farrell (2004). Terreblanche (1991) pointed out that the statutory instruments side-lined black Afrikaner to economic empowerment rather promoted racial dominance over non-whites.

Indigenisation in South Africa is commonly referred to as Black Economic Empowerment (Shumba 2014). South Africa, as a recently liberated Southern African country, still struggles with the legacy of apartheid, which left the country's economic activities in the hands of few whites while the majority black people live in abject poverty (Adam et al, 1997). During the apartheid era, intricate restrictions were imposed on black labour movements and it made it hard for black people to get employed in skilled or semi-skilled positions (Fleiser & Gumede, 2004). Only positions that were not suited for whites were given to black people, which meant that black people had no other role in the economy than serving the needs of white industrialists (Shumba 2014). Black people who were employed in urbanized white areas were required to have special permits if they were to stay in that area for more than 72 hours (Ndedi, 2004).

Ramaphosa (2004) reiterated that due to this background, empowerment programmes are crucial in order to address the centuries of economic disempowerment. In the 1950's numerous multiracial organisations in South Africa produced the Congress Alliance, the African National Congress (ANC) was the leader of the coalition and the coalition's aim was to fight the apartheid regime (Shumba 2014). The point of consensus for the alliance was the claim that, "The People shall govern" (Plaut & Holden, 2012). He further pointed out that the coalition formulated the now renowned Freedom Charter in 1955 which was basically an outline of the freedom demands of ordinary South Africans. Plaut & Holden (2012) further note some of the major stipulations that were enshrined in the charter which included equal distribution of land, free and compulsory education irrespective of colour and race. The alliance was explicit and in agreement on how the country would remedy economic inequalities in the society in order to create a fair and non-racial South Africa (Shumba 2014). However, during the negotiations that led to the release of Nelson Mandela and the unbanning of the ANC, the parties had agreed on a tacit agreement (Plaut & Holden, 2012). The contents of the agreement was for the black people to attain political independence whilst the white minority held on to the economic supremacy. The assets of white people were not seized though there were procedures to progressively achieve a more reasonable balance of wealth (Mbeki, 2009).

Madi (2007) pointed out that even when political equity was recognised ordinary people began agitating for the promises of the liberation struggle as economic emancipation was equally and clearly needed. Faced with these socio-economic disparities, and pressure from different organised groups, the South African government instituted the Black Economic Empowerment (BEE) policy in 2003 (Shumba 2014). The South African Department of Trade and Industry (DTI) gives the major objective of BEE as to increase the number of black people that could manage, own and control the country's economy (Department of Trade and Industry, 2003). BEE puts emphasis on three imperative moral, social and economic growth (Andreasson, 2010).

Zambia is well known for its vast copper reserves compared to other African countries. Atud (2011) pointed out that, however the country houses a variety of natural valuables such as zinc, emerald, cobalt, land and water. The colonization of Zambia saw the institution of capitalism, where all these resources were handled on open markets within the private sector (Hywel, 2000). In this manner, the Northern Rhodesia realised that most companies and investors who held the heart of the economy in all sectors

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were foreigners. Notwithstanding, Anglo-American Corporation and Roan Selection Trust, had monopoly of copper production, which was the cornerstone of the economy (Shumba, 2014). Consequently, state involvement in the economy was minimal; the state's role was to provide basic social and essential services like water, electricity and education (Keeton & Beer, 2011).

Kenneth Kaunda, and his United National Independence Party (UNIP) had high hopes for development and aimed to improve the living standards of Zambians (Leniz, 2001). Hence, Kaunda declared the nationalisation of private owned companies during a rally in Mulungushi. The government also indigenised extensive commercial activities ranging from wholesale shops to meat packaging plants, in total 28 companies were nationalised (Limpitlaw, 2011). The Mulungushi reforms were promptly followed by an additional reform known as the Matero reform that is where plans to nationalize the mining industry were announced (Mwaba, 1997). The intention of the Zambian government was to elevate its rural people and increase employment opportunities in urban areas. To this end, Kaunda's government decided to refocus Zambia's economy away from commodity supplying to decentralisation with a top priority of providing mass employment (Limpitlaw, 2011). The government assumed that if it nationalise the copper industry it would attain its developmental goals. Since the copper industry was booming from rapid growth and high global copper demands and prices during the late 1960s and early 1970s, the intentions of the government seemed realistic (Nelson, 1996).

All rights of ownership of minerals as well as exclusive prospecting and mining licenses reverted to the state. The mining companies were compelled to cede 51% of their shares to the state in 1969 the Zambian government acquired a 51 percent stake in Zambia's two main copper producing companies: Roan Selection Trust and Rhodesian Anglo American Corporation (Fraser & Lungu, 2007). During that period copper prices were good and the copper industry had a significant in the Zambian economy. Shumba (2014) asserted that the two mining giants were fused to form a new company in 1982 called the Zambia Consolidated Copper Mines (ZCCM). By the end of 1969, the state controlled all economic activities including mining, hotels and tourism, housing provision and construction, transportation services, electricity and water (Nelson, 1996). Several new ventures established by parastatals were partnerships between the government and foreign partners who benefitted from the state's protected market either through the banning of imports on competing goods or the imposition of exorbitant tariffs (Hywel, 2005). The government also acquired farms for agricultural production, but the state farms had low productivity thus the private sector remained dominant in this sector (Ramamurti & Vernon, 1991).

In Nigeria, foreign companies who proved to be irresponsive to the government demands necessitated the indigenisation policy. The government had persuaded these foreign firms for employment of qualified Nigerians, technical and managerial training of Nigerian employees and moderation of their pricing on wage policies. The operations of foreign companies increasingly costed the Nigerian economy. The preferences in sectorial investment and dividend policing became unfriendly and costly to economic development of the country. Obiang (2014) argued that well before indigenisation the ownership of most big companies were owned by foreigners and their management was mostly dominated by foreigners. The indigenisation policy in Nigeria was coupled with a number of objectives that are to foster extensive ownership of enterprises among Nigerians, promoting the development of the Nigerian capital market and creating avenues for Nigerian citizens in business.

An Overview of Socio-Economic policies in Zimbabwe

The post-colonial government viewed itself as the central instrument through which yester-imbalances were going to be redressed. In a bid to address the colonial imbalances, the government of black majority came up with a number of policies that were put forward for the past four decades. Some of the policies initiated Zimbabwe's governance problems since independence inter alia the new economic policies that were implemented such as the Economic Structural Adjustment Programme (ESAPs). Siyavizva (2015) pointed out that a few years later from ESAPs, the Land Reform Programme followed with grave consequences to the economy and to the social lives of the people accelerating a collateral damage that was already underway. As if that was not enough the government of Zimbabwe came up with the Indigenisation and Economic Empowerment Programme (IEEP), which became a major scarecrow to investors all over the world. In this manner, the society remained backwards witnessing massive poverty especially in rural areas where there is absolute poverty (Siyavizva, 2015).

Zhou & Zvoushe (2012) reiterate that, soon after independence the new government faced a pressing challenge of reconstituting and realigning the inherited national policy making structures, in line with the new socio-politico-economic dispensation that had set in. Inherited national policy making systems and processes needed to be transformed from minority-focused to majority-focused institutions . The inherited policy frameworks were embedded with inequalities in income and wealth distribution, agricultural, education, industrial and banking sectors were the most visibly affected. Against this background, there was need for the majority government to address these inequalities and injustices through restructuring of policies in favour of the black majority. It also underlined the state-centric nature of policy making in government parastatals, education, labour, health agriculture and social welfare sectors (Zhou & Zvoushe, 2012).

An Overview of Zimbabwe's Indigenisation and Economic Empowerment Programme

The indigenisation policy sought to ensure that indigenous people own and utilize their resources, so as to broaden the base of Zimbabwe's economy. An indigenous Zimbabwean, as defined in the National Indigenisation and Economic Empowerment Act (2008), is anyone who, before independence in April 1980 was subjected to unfair discrimination presumably in Zimbabwe on the grounds of their race, and includes a descendant of such a person. The definition foregrounds the status of being underprivileged

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and racial discrimination that occurred during the colonial era. The Act (2008) also defines indigenisation as a purposeful attempt to involve the indigenous people in the economic arena of the country, to which previously they were denied access, so as to guarantee the equitable ownership of the country's resources (Murombo, 2010). The aim of this policy trajectory is to lessen economic deprivation and aid-dependency syndrome of the ordinary Zimbabweans currently prevalent in the country (Ministry of Youth, Indigenisation and Empowerment, 2013).

Government's first policy framework on indigenisation and economic empowerment was published in February 1998. This led to the establishment of the National Investment Trust of Zimbabwe. Its primary mandate was to facilitate the participation of indigenous Zimbabweans into the mainstream economy by giving them financial assistance. The policy was revised in October 2004 with the adoption of the Revised Policy Framework for the Indigenisation of the Economy. This policy framework provided the principles for the formulation of the current indigenisation and economic empowerment legislation. The parliament of Zimbabwe then passed the Indigenisation and Economic Empowerment Act (Chapter 14:33) in 2007, and the Act was gazetted on March 7, 2008, and signed into law on April 17 2008 (Sokwanele, 2010). On January 29, 2010, government published the indigenisation regulations that is the Indigenisation and Economic Empowerment Regulations, 2010 with respect to the Act that include the requirement for foreign owned companies operating in Zimbabwe to provide information about their indigenisation implementation plans to the Minister of Youth Development, Indigenisation and Empowerment, by April 15, 2010 (Sokwanele, 2010).

The main objective of the indigenisation and economic empowerment programme is to broaden the economic base through promoting mass economic justice to those whom justice was denied (Watson, 2010), historically by the colonial system, and currently by imperialist policies of neoliberalism (Gowans, 2008; Mamdani, 2008; Zhou & Zvoushe, 2012). The necessity for economic empowerment dates back to the 1990s with the formation of pressure groups for empowerment such as the Affirmative Action Group (AAG) 1994, Indigenous Business Development Centre (IBDC) 1990 and the Indigenous Business Women's Organisation (IBWO) 1994 (Business Council of Zimbabwe, 2011).

The Zimbabwean economy had a skewed ownership pattern with more than 80 percent of the private sector was dominated by foreigners. The government as such, established a National Investment Trust (NIT) of 1996 to accommodate shares for indigenous Zimbabweans when parastatals were being privatised. ARDA, ZMDC and SEDCO was established by the government of Zimbabwe as separate agencies in a bid to promote small and medium scale farmers, miners and businesses (Zhou, 2000). The National Indigenisation and Economic Empowerment Board (NIEEB) states that the Indigenisation and Economic Empowerment (IEE) Act of 2008 seeks to transform blacks from being mere suppliers of labour and consumers and enhance their participation and ownership of resources (Chowa & Mukuvare, 2013)

The extent to which the indigenisation policy benefited the people of Zimbabwe

The indigenisation policy has faced a lot of criticism within and beyond borders especially at international level. As much as it has been identified in its negative impact to the economic growth of the country there are positives that can be identified. The policy for instance, enhanced the ability of ordinary Zimbabweans to access their resources. This is evident in the agriculture sector and mostly in the mining sector. The indigenisation policy has promoted the small-scale mining industry thus economically activating lives of thousands of people who are surviving through mining across Zimbabwe. The government recognised small-scale miners and allowed them to sell their produce to the government as a way of promoting them at the same time enhancing the national fiscus. Through the indigenisation policy most Zimbabweans ventured into various kind of businesses, they learnt to be entrepreneurs rather than employees. For instance, a small scale miner built a shopping mall in Gwanda Business District with mining proceeds .

The 51% of the indigenisation policy constituted 10% Community Share Ownership Trust (CSOT) which contributed significantly especially in rural areas. CSOTs have been realised in most parts of Zimbabwe more especially in the mineral rich areas to enhance the living standards of these communities through their resources. There are a number of projects which were coming out of the Community Share Ownership Trust. For instance, building of school blocks such as those in Zvishavane District, rehabilitation of health facilities, electrification of health staff houses and drilling of boreholes. CSOTs has brought about a sense of participatory development within rural communities through the involvement of their traditional leaders. That COSTs are being managed at local level automatically does away with bureaucratic challenges that are normally found in government.

Water problems have existed in the district for a very long time but CSOTs brought a sustainable solution by drilling a number of boreholes in different parts of the district. Figure 1 shows an old and hopeless Primary classroom block in rural areas. These were the type of classrooms blocks common in some of the remote areas in the country. However, the presence of mining companies in some of these areas have changed the lives of the people in a positive manner. Figure 2 shows newly constructed primary school block from the Community Share Ownership Trust Proceeds. The improvement of educational facilities might not be a direct economic benefit to the community but it has long-term contributions to the economy. Amongst other things, the learning environment have a bearing in the academic performance of students.

Indigenisation Policy and Foreign Direct Investment in Zimbabwe

One of the leading concerns to the government of Zimbabwe is the lack of Foreign Direct Investment (FDI). FDI enables economies to create a variety of opportunities such as employment, increased production, advanced technology and good infrastructure. According to Bloch (2013), FDI is

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usually associated with improved quality of life in the recipient country. In as far as FDI is concerned, the indigenisation policy has only succeeded in isolating Zimbabwe from the rest of the world. The policy is marred with irregularities that it might be difficult for Zimbabwe to lure new investors into the country, rather Zimbabwe might lose the investors they have.

Bloch (2013) further argued that without FDI the country does not have prospects for economic recovery. The former Reserve Bank Governor Dr Gideon Gono and Former Minister for Indigenisation clashed, over the policy especially on indigenising foreign owned banks. The Minister accused the governor of taking bribes from bank shareholders to slow the process of indigenisation. Gono (2012) argued that the country need FDI to address liquidity problems, he further went on to inform the business community that for production purposes, the country's policies should not be perceived as hostile to investors. Lack of FDI has affected the national budget. There has been a significant fall in the national revenue whilst the national expenditure increased each year.

Between the years 2010 and 2016 there was a non-stop deficit in the national budget due to lack of enough revenue. FDI contributed a lot into the national budget. The indigenisation policy had a greater bearing in shutting down most foreign companies in Zimbabwe. As illustrated by Ndlovu-Gatsheni (2011), the indigenisation legislation rendered an increase in the closure of manufacturing companies in Kwekwe, Gweru and Bulawayo. Some companies tried to escape the wrath of the policy and purposively shut down their operations, selling their machinery and stripping their assets. The government involvement inevitably caused the suspension of several projects and closure of mines which undermined the capacity of mining sector to generate much needed foreign currency in the country.

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Figure 1: Old Classroom block before CSOTs

Figure 2: New Classroom block after CSOTS
Source: Zimbabwe Independent **(**2013)

2. Challenges that were faced by the Indigenisation Policy

Policy inconsistency

The indigenisation policy was inconsistent more especially during the implementation stage. The policy was marred by a number of irregularities resulting from frequency change

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in the occupancy of the office of the Minister. Within a period of seven years, five cabinet ministers had handled the indigenisation portfolio in different fashions. This brought mayhem to the business community. According to Magaisa (2015), ministerial changes did not assist in building the consistent line regarding the indigenisation, with every Minister coming in with a different fashion from the predecessor. This situation largely rendered unpredictability and uncertainty for investors especially those who were interested in long term capital intensive sectors such as mining and agriculture.

To illustrate, in 2008, Paul Mangwana presided over the passing on of the bill as the first Minister on indigenisation. He never got enough time to make any impact with the policy since it was just before the March general elections. He was succeeded by Saviour Kasukuwere who went to extremes with the policy mounting pressure on foreign companies to commit to the policy. This was the most devastating period in terms of Foreign Direct Investment. Kasukuwere was replaced by Nhema's soft touch which was more of a reconciliatory approach with the investors. Unfortunately, Nhema's reign was short lived since he was sucked from the ruling party for being loyal to the former Vice President Joice Mujuru. Magaisa (2015) pointed out that Nhema was replaced by Christopher Mushowe who seemed to have personal motives mishandling the indigenisation programme. Mushowe was involved in indigenisation deals in Marange diamond fields and his term was unremarkable. Mushowe was replaced by Patrick Zhuwao a nephew to former President Mugabe. Zhuwao took a more aggressive approach in a similar manner that was taken by Kusukuwere which marked massive inconsistency within the policy framework.

Lack of information

Much as the government had shown much dedication on the indigenisation policy, people in various sectors, provinces and ordinary Zimbabweans did not really comprehend the indigenisation policy. Poor communication made it difficult for the business community to understand and welcome the programme in terms of its outcomes and prospects. Nyambabvu (2013) observed that former Minister Nhema had said that the idea of the indigenisation policy was to make information accessible to everyone so as to achieve the desired goals. To the contrary, ordinary citizens perceived the policy as beneficial to well-placed individuals in businesses and politics. The policy formulation process excluded citizens and as such, the policy lacked ownership as it neglected intended beneficiaries.

Lack of inputs

During the implementation of the indigenisation policy, a meaningful production looked bleak as new farmers did not have enough skills and resources. The new farmers did not possess required capital in order to get necessary and advanced equipment for farming such as tractors, combine harvesters, pesticides and other farm implements. On the other hand, the government did not put any effort to support new farmers through trainings on how to use the machinery they had acquired from white farmers. Sachikonye (2003) pointed out that shortage of fertilizer has been worsened by inadequate foreign currency to buy potash from other countries. In this case, production have deteriorated due to underutilisation of land making the agricultural sector inefficient. This inefficient use of land has caused the value of tobacco from Zimbabwe to go down and this made it harder for Zimbabweans to market their crop successfully (Scoones, 2008).

Political Interference

One of the chief problems faced by the IEEP is political interference by the implementers. The successive breakdown of the rule of law by people who were politically muscled invading white owned farms and businesses opened up new opportunities for them. Mwatwara (2013) notes that the period after 2000, awarding of tenders and contracts were aligned to dominant political factions especially those who were connected to the Central Intelligence Organisation and military. Saunders (2007) argues that this period was marked with emergence of elite-driven, opportunistic asset grabs, rather than the articulation of a policy seeking the sustainable transfer of strategic production into accountable hands. To illustrate, a former Zanu PF MP Tracy Mutinhiri lost her farm to Zanu PF since she had defected from the ruling party and joined the MDC. In her response, she highlighted that the ruling party would continue politicising the indigenisation as a way of rewarding party loyalists punishing the opposition supporters. The whole story of the land reform programme is manipulated and regarded as part of the liberation agenda as it was called the third Chimurenga. Zanu PF implied that it had already brought independence and that the third Chimurenga was about economic emancipation that brought one of the most valuable resources to its people through the land reform programme.

Land tenure 217

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Institutional capacity 259

Institutional capacity precluded the successful implementation of the indigenisation policy. The government went to execute the land reform programme but it did not have enough resources to support the programme. United Nations Development Programme (2002) highlighted that the failure of government to acquire funds from donor community was a clear sign that they did not want compulsory acquisition of land. Amnesty International

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(2014) pointed out that at one point the former Minister of Foreign Affairs, Stan Mudenge pleaded for financial support from the UN Secretary General to assist the newly resettled farmers with proper farming facilities. The donors advised that Zimbabwe's commitment to respect of the rule of law, non-violent ways of land redistribution respecting private property would be more attractive to donor funding.

The international community hoped that the whole land reform process would be slow and steady rather than obligatory acquisition of land and violence. The donor community condemned Zimbabwe's military assistance to DRC reiterating that it was not fit to participate in that war regarding the status of its economy. According to United Nations Development Programme (2002) the government of Zimbabwe accused the donor community of bending towards derailing indigenisation programme and malicious intentions. Due to these disagreements, the negotiations between donors and the government collapsed and the new farmers were left with no financial assistance for infrastructure and services (Moyo & Yeros, 2005). In trying to capacitate the indigenisation programme the government embarked on a look East Policy forging relations with China, India, Indonesia and Malaysia but still it did not manage to secure funds to support its policies.

3. Recommendations

There is a general consensus on the need of empowering ordinary Zimbabweans but the major challenge has been the approach towards achieving that. The government use of indigenisation policy as the remedy to mass economic injustice as a one size fits all approach was unsuitable to deal with the situation. The approach discouraged foreign investors in a devastating manner and this exacerbated Zimbabwe's economic problems. The government would have been flexible enough not to take drastic measures in all sectors of the economy. For instance, indigenising the banking sector may lead to foreign banks disinvesting from the country with serious repercussions to the economy (Munzara, 2015:3). This study recommends that the government should embark on preliminary evaluations on policies figuring out their appropriateness.

The indigenisation policy is deficient of proper planning which promotes popular participation by ordinary citizens and people from various sectors. The general perception about the policy was that it was meant to benefit the ruling party and those who occupy higher positions. For the policy to achieve its goals indigenous Zimbabweans should be properly consulted and sufficiently informed for the policy to have ownership. In addition, there are technocrats in various sectors who should take lead in policy processes for positive economic growth. As highlighted by Mbeki (2009), African intellectuals have an obligation to initiate a knowledgeable reinforcement to policies such as the indigenisation policy being implemented in Zimbabwe. Further to this, establishment of strong anti-corruption mechanisms that are not aligned to any political party is a very important step to take for successful implementation of the indigenisation policy. For the IEEP to transform the economic fortunes of the country, there is need for higher levels of transparency and accountability in all stakeholders involved in the formulation and implementation of the programme.

The government of Zimbabwe should invest in research and development. Policy process requires a lot of research that largely influences the formulation of policy, its acceptability to the public and its success. In order to sustain the economy's productive momentum there should be constant advancement in new ideas and technologies through sustained research. Sustained research allows the government to keep in touch with its people through needs assessments. Lastly, there should be IEEP funding to enable indigenous entrepreneurs to buy equity in companies and funding for start-up capital for new business ventures. The requirement to cede 51% to indigenous people is a very high target that can easily scare away investors. This target can be reduced and/or staggered over years. For instance, the 51% target can be staggered in 25%, 30%, 40% and ultimately 51% at the end of, for argument sake, 15years of implementing the programme. That is, there is need to balance both the needs of foreign investors and indigenous investors.

4. Concluding Remarks

The Indigenisation and economic empowerment programme is justified especially in countries who has been colonised before. The programme is necessary for warranting the reconfiguration of the economy dynamics for the fulfilment of resource and procedural justice for the indigenous Zimbabweans. The idea behind the policy is very sound and meaningful as far as social and economic transformation is concerned. This paper argues that locally and regionally, the policy is generally understood as a reconstruction and a redressing strategy to correct colonial imbalances increasing local participation in economic growth. Wherever the policy was implemented in Africa the concept is valid, the problem rose up during the implementation process. The sad part is that there are numerous challenges, which surrounded the successful implementation of the policy. Therefore, this paper drew up the following conclusions.

It is undisputed to say that there was need for the government to take such measures in addressing economic imbalances that existed between locals and foreigners. Local Zimbabweans deserved to be empowered regarding the business ownership, control of mines and land ownership which was all in the hands of a small minority. For instance, 4000 white commercial farmers occupied 11 million hectares whereas 1 million rural families occupied 16million hectares of dry land, less fertile and unproductive land. This reflects inequalities that were unbecoming and desired an immediate attention. The policy failed to fulfil its desired outcome and found itself paralysing economic growth in various ways. There are a number of factors which contributed to the failure of indigenisation policy chief among them being political interference. For instance, looking at the scandals that happened at Marange Diamonds as highlighted in the previous chapter. It is crystal clear that the whole process was politicised to the detriment of the whole idea. The whole process became an elite driven idea whereas on paper it made a lot of sense.

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The Community Share Ownership Trust generally brought a significant socio-economic improvement especially in areas where there are mining activities being carried out. For instance, the Zvishavane Community Share Ownership Trust (ZCSOT) has done remarkable developments. The trust was responsible for construction of a number of school blocks in Zvishavane District. There was also rehabilitation of clinics, staff houses and electrification of several clinics which improved the livelihoods of the community. The major aim of the policy trajectory was to see indigenous Zimbabweans being entrepreneurs rather than employees and doing away with the dependency syndrome. Although the economy has become a total fiasco, to a greater extend the policy have achieved that aim. There are more indigenous companies and entrepreneurs than ever before and these people are getting better incomes as compared to what they used to get as employees.

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