THE ECONOMIC LEGACY OF COMRADE MUGABE

The decline of Zimbabwe is a classic case of how bad government can ruin a country, argues **David Gadiel***

Violence experienced by commercial farmers in South Africa has been reported widely in Australia and has called attention to the plight of white minorities in Southern Africa. White minorities have cause for apprehension after what occurred in Zimbabwe both before and after the Lancaster House Conference of 1979 that preceded recognition of Zimbabwe's independence and coerced their capitulation—at the behest of Britain's new Conservative government amongst others—to a government led by Robert Mugabe.

Hundreds were murdered on farms; many of all races were slaughtered and maimed during the Rhodesian Bush War (in which between 1964 and 1979 the Soviet Union and China competed to arm rival black factions)—as well as in the aftermath associated with Mugabe's ZANU-PF brutal and paranoid misrule and fraudulent mismanagement of elections.

Thousands of black and white refugees fled Zimbabwe with little to their name, including many who settled in Australia. It is a sad story often neglected, partly because 'optimists' in the West, who had enthusiastically greeted the birth of Zimbabwe and the incumbency of Mugabe, became reluctant to accept their error. It became expedient too to leave Zimbabwe to its own devices, especially after Southern Africa lost strategic importance when the Soviet Union collapsed in December 1991. Greater priority shifted to issues such as the war on terrorism.

The history of Zimbabwe is a portrait of decay and mismanagement that ruined a once-thriving economy. With its sophisticated institutions, a stable banking system, a manufacturing base and a highly-capitalised farming industry, Zimbabwe inherited the richest, most developed land in Africa after South Africa. An economic history of Zimbabwe thereafter provides a classic example of how populism can trump reason; how readily world leaders who should have known better became so easily beguiled; and how a false god became a liberation icon to fellow African leaders.

False dawn

Mugabe triumphed at first with conciliatory overtones both at the conclusion of the Lancaster House conference and after the election stitched up in 1980. And even in the next decade, during which Mugabe reluctantly kept an undertaking to Britain to place a moratorium on land reform (a major obstacle at Lancaster House), some perceived an atmosphere of racial cooperation and fair-mindedness.

David Gadiel is a Senior Fellow in the Health Program at The Centre for Independent Studies. He emigrated from Zimbabwe in the 1960s (then Southern Rhodesia) and is a former development economist.

* The author has benefited from helpful discussions with Clive Puzey, a former Movement for Democratic Change (MDC) senior official and Zimbabwean businessman.

The Independence Constitution effectively reserved 20% of seats in Parliament for whites, although with fateful support of four white opposition parliamentarians in 1987 this provision was abolished. Former Prime Minister Ian Smith remained in Parliament until then and spoke his mind freely. Mugabe personally encouraged moderates such as David Coltart (later a founding member of the opposition Movement for Democratic Change) to return from exile.

In the interests of reconciliation, as provided under the Lancaster House Agreement[1] and with £50 million in British assistance, about 2,000 farms (2.7 million hectares or 16% of commercial farmland) changed hands during the 1980s from white to black owners on a 'willing buyer, willing seller' basis. By 1996 this had created some 71,000 smallholdings similar to communal holdings in Tribal Trust Areas.[2] The new government saw this resettlement as necessary to 'neutralise a looming crisis of expectation on the part of a land hungry population'.[3]

Partly because of their small size and partly because the new owners never gained proper title, this land soon lapsed into an unproductive state.[4] Food production was never in jeopardy because commercial farming thankfully remained resilient and between 1982 and 1996 showed considerable growth.[5] During these early years real growth in GDP averaged 4.3%[6]. The economy seemed attractive to private investment and it became the beneficiary of assistance programs from international agencies.

While Mugabe was acclaimed and applauded as a liberation hero by African nations, he had to be mindful—at least until May 1994—of the potential destabilising influence of South Africa, where the National Party prevailed, and on which Zimbabwe remained economically dependent. During the Cold War the West still furtively regarded blemished South Africa as a bulwark against communism and Zimbabwe had to coexist with this. The change of mood in South Africa with Mandela after 1994 emboldened Mugabe to show his true colours, which became evident especially under Mandela's successors whom Mugabe skilfully manipulated.

In the meantime Zimbabwe's honeymoon was marred by a massacre of Ndebele between 1983 and 1987—known as the *Gukurahundi* (a cleansing flood). This was instigated by Mugabe to secure domination of his Shona ZANU-PF faction and orchestrated by Emmerson Mnangagwa, at that time Minister of State Security and now President.

World opinion paid little heed to murder in Matabeleland (unlike the odium attracted by Rhodesian authorities). Mugabe was perceived bizarrely as a defender of human rights. Universities competed to confer honorary degrees upon him. As the clouded vision of one citation in 1986 remarked: 'Your gentle firmness in the face of anger, and your intellectual approach to matters which inflame the emotions of others, are hallmarks of your quiet integrity . . . We salute you for your enduring and effective translation of a moral ethic into a strong, popular voice for freedom.'[7]

Britain's Conservative governments seemed reluctant to interfere in Zimbabwe's affairs: they had rid themselves of a festering problem that bedevilled Harold Wilson during the 1960s and Thatcher was preoccupied elsewhere.

Pathway to perdition

By the mid-1990s Zimbabwe's economic condition deteriorated. During 1991-92 the most severe drought in living memory ravaged agriculture; livestock losses destroyed the legendary 600 sq km Devuli ranch. Inflation was developing as expenditure expanded on the army, the bureaucracy and patronage for Mugabe's cronies. International lenders were wary of funding more political adventures such as bonuses for war veterans and buying out a further 4,500 commercial farmers. By 1999 Mugabe was also waging a ruinous military campaign in the Congo by printing money.

Although Zimbabwe is rich in minerals, agriculture was the backbone of its economy. It accounted for some 20% of GDP, employed about 70% of the population and contributed about half its export earnings.[8] Correct economic settings for agriculture were critical.

Zimbabwe's Land Acquisition Act of 1996 sought the compulsory purchase of remaining commercial farms. In 1997 Tony Blair resisted Mugabe's request to finance further land acquisition to which Mugabe laid claim under the Lancaster House Agreement. A conference with donors in September 1998, however, elicited offers of support from Britain and others to fund land reform contingent upon its fair and transparent redistribution. Mugabe rejected this and accused Britain of repudiating the Lancaster House terms. In reality the conditions did not satisfy Mugabe's political objectives, in particular buying political favours from Chenjerai Hunzvi, leader of the Bush War veterans. Hunzvi demanded immediate access to land for war veterans.

In 2000 ZANU-PF lost a crucial referendum that sought to entrench executive power. The referendum also included a clause obliging Britain, as former colonial power, to pay compensation for compulsory land acquisition. Despite this apparent setback, war veterans spearheaded occupations of commercial farms. Occupations were represented as restitution of ancestral land. Violence proceeded as a backdrop to a dubious electoral win for ZANU-PF in 2000 and Mugabe's 2002 presidential campaign—assisted too by verbal stoushes with British Labour ministers that Mugabe skilfully exploited to electoral advantage.[9]

Chaos and poverty

Police ignored the violence, giving invaders confidence of government support. They closed farm roads, felled trees, stole and mutilated cattle, commandeered meat and maize from farmers, and ordered attendance at political rallies. Signposts proclaimed 'No go area—war veterans inside'.[10]

Between 2000 and 2007 the expropriation of almost all of Zimbabwe's remaining 4,500 efficient farms decimated its agricultural economy.[11] Not only did this folly transform Zimbabwe from being a maize/grain exporter to a maize importer; it caused chronic food insecurity for between 5.2 million and 7.2 million people. Per capita maize consumption declined sharply from 110 kg/person/year in 2001 to 92 kg/person/year in 2002. Crop production including tobacco, the main source of export income, declined as much after land changed hands in the 1980s but now afflicted the whole agricultural economy.

Econometric estimates indicate that the independent effect of the land reforms after controlling for rainfall, foreign aid, capital and labour productivity led to an annual 12.5% decline in real GDP growth between 2000 and 2003.[12]

The pity of this recklessness lay in its failure to achieve any pretention of contributing to equity or eradicating poverty. Farms looted were occupied by the ZANU-PF hierarchy and well-placed members of the Politburo. They understood nothing of farming. The more educated amongst these neophytes wanted farms as rural retreats. Many lands fell into disuse. New owners sold off farming equipment and excavated irrigation pipes for scrap. In other cases buildings were wantonly burnt and looted. Dispossessed white and black farm workers lost their livelihoods and homes.

Econometric estimates indicate that the independent effect of the land reforms led to an annual 12.5% decline in real GDP growth between 2000 and 2003.

High quality commercial farmland transformed into dusty, unproductive tracts characteristic of communal land where farmers lacked property rights. Deterioration of common property occurred as pastures eroded and became desert to an extent greater than could be explained by soil quality or climate differences.[13] The 'tragedy of the commons' associated with the land reform policy's failure to uphold property rights broke the structural link between communal and commercial farming, which had symbiotically benefited communal farmers (and some smallholder commercial farmers) by way of subsidised fertilisers, agronomic assistance, etc.

Farm invasions also disrupted Zimbabwe's commercial livestock industry. Loss of pasture control caused excessive stocking and degradation of carrying capacity. Fencing that had previously been a buffer to unmanageable and unhealthy wildlife as well as communal cattle with rampant foot and mouth disease (FMD) now fell into disrepair. Valuable export markets for Zimbabwe's boneless beef were lost as scrub stock suddenly intermingled with finely-bred herds in disease-free zones. Beef exports to the EU, contingent upon stringent FMD-control, were a case in point. A beef cattle herd so painstakingly bred over the previous 60 years to suit Zimbabwe's testing environment vanished overnight.[14]

Land tenure and farming

Another misfortune of farm invasions was the transformation of land tenure.[15] There was no title to land sequestered in 2000. New owners simply occupied their seizures. Informal ownership, characteristic of Tribal Trust lands, later became the recognised tenure by constitutional change in 2005—often leading to argument amongst those claiming new bounty. Uncertainties developed as disputes leading to arbitrary seizures of land by those with greatest influence became commonplace. Amongst notorious examples were farms occupied by comrades that Senior Minister Didymus Mutasa (whose portfolio at the time included Land Reform and Resettlement) confiscated for the benefit of his three wives.[16] Some development economists and anthropologists even applauded arrangements that gave rise to such appalling processes.[17]

Informal ownership, characteristic of Tribal Trust lands, later became the recognised tenure by constitutional change in 2005—often leading to argument amongst those claiming new bounty.

Land without documented title and without an effective rule of law applying equally to everyone independently of other branches of government cannot confer incontestable rights of exclusive access to its purported owners. To be sure there are functioning courts in Zimbabwe but it is also recognised that the executive branch of government, with the Justice portfolio variously held by Emmerson Mnangagwa and Patrick Chinamasa, is susceptible to flouting any principles and laws to achieve its own ends. Reports are legion of judgements arbitrarily overturned as well as Mugabe's intimidation, arrest and imprisonment of judges whose verdicts have displeased him.[18] Title to anything in Zimbabwe was thus as good as a claimant's capacity to defend a right of possession.

Ill-defined property rights constitute a barrier to efficient markets and resource allocation in an economy where corruption is rife because of high transaction costs: for example, protection money and other payoffs that are commonplace in Zimbabwe. This makes it impossible for potential buyers to acquire land or to improve it because it cannot offer adequate security to be mortgaged to a prudent lender. Because banks cannot charge land to a mortgage for which there is no safe title, efficient farmers are unlikely to buy out those who are inefficient.

Since 2000, land tenure in Zimbabwe (and its associated disruptive effects on the financial system) has thus constituted a natural barrier to improvement in productivity not only because it destroys the market for land but also its efficient allocation.

After Mnangagwa gained power on 23 November 2017 he made early announcements that sought to allay investor fears. He declared that Zimbabwe would now be 'open for business'.[19] He sought to encourage farmers who had emigrated elsewhere to return by announcing that he would legislate to give greater security of title by introducing 99-year leases. In most cases there is little to return to. Many farms are now populated by squatters. The atmosphere for investment remains uncertain.

Whilst 99-year leases superficially might offer security superior to former arrangements, it remains uncertain how the new arrangements will work under Zimbabwe's fragile legal system. Loss of confidence is pervasive and fears of sovereign risk linger after the damage perpetrated over the previous 17 years in which Mnangagwa played a major role and became a prominent beneficiary. The Chinese are now the main source of investment in agriculture.[20]

Mining and other enterprises

Property rights to other types of assets in Zimbabwe are also at risk. In March 2008 Zimbabwe introduced its Indigenisation and Economic Empowerment Act, whereby foreign companies must sell 51% of their shares to local entities or individuals—effectively intended to prevent whites or foreigners from owning more than half any business. The mechanism for indigenisation was to be a fund created from the proceeds of a company levy. So businesses were supposed to pay for their own sequestration! In the wake of the farm calamities, this was the last thing for which business in Zimbabwe could have wished.

The legislation seemed to offer a new avenue for assets to become a quarry for politically-connected persons, much the same as farms. The threat to sovereign risk of uninvited ZAPU-PF trusties inserting themselves onto boards and share registers of the likes of Barclays and Standard Chartered and institutions such as Old Mutual had an immediate effect on the business climate. Several international companies such as Heinz immediately divested their operations in Zimbabwe.

The saving grace of this legislation was that it was drafted so badly it proved difficult to interpret and implement. In December 2017, the new President, Emmerson Mnangagwa tried to clarify: the Act would be amended so that the 51/49% rule would apply only to 'natural resource-based' investments.[21] The main target now appears to be the mining industry.

Zimbabwe's Great Dyke geological formation is host to vast mineral potential including gold, silver, platinum group metals, chrome, nickel and cobalt. The Marange diamond fields are one of the world's richest.

Since the demise of agriculture, mining has become Zimbabwe's main source of export income. This substantially derives from the operations of foreign companies such as Anglo American, Impala Platinum and Zimplats. Members of the elite sit on the boards of these companies and have been beneficiaries of shares issued to them gratis.

Ownership of the Marange diamond fields has been volatile. After expropriation of a UK mining house's interest, they came under the control of several small entities effectively operated by the military. One of these was a joint venture between the Chinese and the Zimbabwe National Army in which Mnangagwa had an important stake.[22] In 2016, following a ZANU-PF internal power struggle between the Mugabe and Mnangagwa factions,[23] the government revoked these arrangements and assumed direct control under the Zimbabwe Consolidated Diamond Company.

Operations at Marange provide an egregious case of worker mistreatment, with reports of slave labour camps run by the military[24] and private plunder and illicit sale of 'blood diamonds'. Diamond exports masquerade in official statistics as 'postage stamps'. In 2010 mint postage stamps amounting to $US500 million became Zimbabwe's largest source of export income.[25]

The cumulative diversion of the revenue accruing from diamonds lost to Treasury is estimated to be at least $US2 billion.[26] The Marange fields have effectively operated as 'a state within a state' without pretence at accountability. Since 2016, they have primarily assisted Mugabe in maintaining power by paying off the military and his own (G40) faction within the Politburo against another led by Mnangagwa.

Precisely why, if the new administration claims to be 'open for business' it should seek to perpetrate uncertainty about property rights in a sector that remains of such critical importance as mining is quite unclear. Mnangagwa has revealed little, moreover, about the destiny of Marange and his own stake in its plunder.

Expropriation of farms destroyed the solvency of the financial system. As farms descended into chaos, it effectively devalued the assets of banks, decimating their capital base.

Economics and finance

A seldom acknowledged consequence of the dislocation of agriculture was its effect on banking. Before 2000 the assets of Zimbabwe's banks mostly consisted of loans to farms. Expropriation of farms destroyed the solvency of the financial system. As farms descended into chaos, it effectively devalued the assets of banks, decimating their capital base. Even though banks' financial statements may have failed to properly reflect such impairments, the public lost faith in the banking system's capacity to meet its liabilities. This caused deposits to diminish as customers preferred cash.

Nonperforming loans to farmers whose land had become worthless caused the Reserve Bank to close down at least three trading banks that failed depositors—meanwhile the government was encouraging banks to provide unsecured, unserviceable loans to wasted land reform.[27] As fast as the government issued treasury bills to accommodate the demand for cash, there were lengthening queues of people seeking to withdraw.

Other inflationary drivers were also at play. The government depended on the Reserve Bank to replenish tax collection losses from the farmers who had lost everything and other business that suffered consequentially.[28] Mugabe's gratuitous participation in the Congo war had cost about $US10 million a day to no public good—all of which augmented growth in public debt.

The Zimbabwean dollar plummeted and domestic prices soared, mirroring the local currency depreciation, as households holding cash immediately sought to convert its dwindling value into essential consumption goods (whenever empty supermarket shelves were replenished)—or anything that could provide a store of value.

As a currency hedge, securities could be purchased on the Harare Stock Exchange that also traded in London.[29] For example, each share of Old Mutual (a FTSE 100 financial services group) commanded the same claim on the company's earnings and assets, whether it traded in London or Harare.

Inflation was gathering momentum after 2000 to an extent that was beyond the capacity of the Reserve Bank to meaningfully report it. By the mid-2000s it had manifest as a hyperinflation of several hundred thousand per cent; by the time of the 2008 election it had become one of the worst inflation episodes in modern history.

Hyperinflation was halted on 20 November 2008 when the Reserve Bank declared that the entire economy was 'being priced via the Old Mutual rate whose share price movements had no relationship with economic fundamentals, let alone actual corporate performance of Old Mutual itself'.[30] The stock exchange closed and the economy was 'dollarised'.

The fraught and violent 2008 election eventually delivered another presidential term to Mugabe but with ZANU-PF forced into a National Unity Coalition with the MDC.[31] In post-election horse trading the critical finance portfolio went to the talented MDC Secretary General, Tendai Biti. In exchange, ZANU-PF retained the mining portfolio, securing its control over diamond operations.

Between 2009 and 2013, assisted by a rise in base metal prices, Biti did much to stabilise the economy during the National Unity interregnum. There was re-engagement with the IMF and other agencies; inflation was controlled and merchandise reappeared on supermarket shelves.

After the 2013 election ZANU-PF regained government in its own right and gave the finance portfolio to the disingenuous Patrick Chinamasa, whom Mnangagwa reconfirmed in this role in November 2017. Since 2013, economic indicators have not been encouraging. Real GDP growth has monotonically declined from a promising start. The government's share of GDP increased from 26.7% to 30.8%, causing swelling deficits with a progressive deterioration in debt sustainability (Public and Publicly Guaranteed debt to GDP).

The government again financed its spending by borrowing from the banking system to the extent that commercial bank holdings of treasury bills again exceeded their own capital. During the previous crisis the defunct Zimbabwean dollar took the strain. With a fixed US dollar standard this is not possible.

Zimbabwe: Selected macroeconomic indicators

	2013	2014	2015	2016*
Real GDP growth (annual percentage change)	5.3	2.8	1.4	0.7
Nominal GDP (US$ million)	15,224	15,834	16,072	16,124
Consumer price index (annual average % change)	1.6	-0.2	-2.4	-1.6
Govt spending and net lending, % GDP	26.7	25.4	25.9	30.8
Govt cash balance, % GDP	-1.9	-0.9	-2.4	-8.8
Broad money (M3) supply, (US$ million)	3,888	4,377	4,736	5,638
Public and publicly guaranteed debt, % GDP	35.4	40.5	41.1	44.8

* Estimate

Source: IMF Country Report 17/196 (July 2017) Washington, DC

Price deflation has manifest, with households hoarding every US dollar they can lay their hands on. To counter the drain on liquidity the government issued so-called 'bond notes' pegged to the US dollar.[32] They now trade at a discount of 30%-70% against the Old Mutual rate. Depositors again queue at the banks to access their cash.[33] Most day-to-day payments are by card, denominated in US dollars, with a large part of the banking system's assets held in electronic form.[34] This is a harbinger of another monetary crisis.

Exodus

Dispossession of 4,500 commercial farmers of their farms was intrinsic to the collapse of Zimbabwe's economy but it also came to symbolise a broader disengagement that plagued it before and after 2000.

White emigration preceded 2000, beginning with the emergence of black affirmation and identity politics in the military, the civil service and the judiciary. Apprehension registered amongst elites with skills easily transferable elsewhere. Zimbabwe lost a wealth of human capital in areas like engineering, medicine, the arts and finance that could so readily have contributed to the nascent Zimbabwe. Failure in the quality of Zimbabwe's public policy speaks eloquently to changes in the civil service and institutions such as the Reserve Bank since the 1980s. Some adroit white businessmen who remained, on the other hand, have thrived by becoming close to the government.

For different reasons, there was a parallel but larger emigration of black Zimbabweans, starting with the Ndebele pogrom of 1983-1987 and gaining impetus from unemployment in the formal sector as well as drought-stressed communal farming. 'Operation Cleanup' (*Murambatsvina*) in 2005, which victimised 1.5 million urban poor, also played a part, leaving 200,000 homeless and 30,000 street sellers without livelihoods.[35] Farm occupations caused an estimated one million black farm workers and their families to lose their livelihoods and homes.[36] The upshot was a significant, mostly undocumented emigration mainly to South Africa, where black Zimbabwean refugees by 2017 reached about three million.[37] Remittances of approximately four million Zimbabwean expatriates from all over the world have now become the largest single source of hard currency.

Zimbabwe's government saw a benefit in this exodus. Didymus Mutasa, who devised Operation Cleanup, claimed amid the farm turmoil in 2002 that Zimbabwe would gain from halving its population.[38]

Australia has become a host to the Zimbabwean diaspora. An estimated 20,000 ex-Zimbabweans of all races and many more former South Africans now live here, settling through conventional immigration channels. Western Australia has become a destination of choice for emigrants from Africa.

Farm occupations caused an estimated one million black farm workers and their families to lose their livelihoods and homes.

South Africa and Zimbabwe

There are parallels between the false dawn of the newly-independent Zimbabwe and the golden age of truth and reconciliation in South Africa under Mandela. Decay followed thereafter in both.

South Africa passively observed the unfolding tragedy in Zimbabwe. President Thabo Mbeki was indulgent of Mugabe when he could have exerted moral pressure on him. His mediation between Mugabe and Morgan Tsvangirai (the late MDC leader) during the second round of the 2008 election process proved lamentable.

South Africa had much to gain from a peaceful and stable Zimbabwe. Instead it became the focal destination for black Zimbabwean refugees where many squatted in overcrowded areas of Johannesburg, like Hillbrow. Xenophobic instincts led to their scapegoating as a cause of Johannesburg's crime and became justification, between 2000 and 2013, for deportation of about one million Zimbabwean refugees whom South Africa classified as 'economic migrants'.[39]

White commercial farmers have also become objects of South African xenophobia—inspired by advocates of violence and farm seizure such as Julius Malema, parliamentary leader of South Africa's far-left radical Economic Freedom Party. Uncertainty, violence and murder now confront South African farmers much as in Zimbabwe but on a larger scale.[40] Since 2000, commercial farmers in South Africa have diminished from about 100,000[41] to 30,000. Farms have become impossible to sell. Zimbabwe had more to lose from farm invasions than South Africa. The backbone of the South African economy is mining whereas Zimbabwe's had been agriculture. However, as for Zimbabwe, farming is critical to South Africa's food security.

Malema admires Mugabe's 'economic model' and channels war veterans' leader Chenjerai Hunzvi's agenda of farm seizures as a blueprint for South Africa's economic transformation. His populism had been sympathetically entertained by Jacob Zuma and as well as Cyril Ramaphosa. In his maiden speech as African National Congress president in December 2017, Ramaphosa declared support for a Constitutional amendment to permit converting all land in South Africa, including commercial farmland, to leasehold without compensation.

An exodus of commercial farmers from South Africa has the same associations as Zimbabwe's. Their emigration to Australia has not met criteria for humanitarian refugee intake but there are calls for a change as their plight becomes critical. Where their votes are concentrated, Southern African émigrés are becoming a political constituency in some Coalition electorates, especially in Western Australia.

The way forward

Two events have introduced changes in Southern Africa in the closing months of 2017: first, the accession to power of Cyril Ramaphosa in South Africa and his apparent endorsement of farm expropriation but under terms that dilute Malema's agenda; and second, the accession of Mnangagwa in Zimbabwe who has proclaimed Zimbabwe 'open for business', disavowed farm seizures and declared an intention to compensate and encourage the farmers to return, also as leaseholders.

In the case of Zimbabwe, it remains to be seen whether Mnangagwa's sentiments have substance. The dilemma is that both Mnangagwa and his ZANU-PF faction have so fervently indulged themselves as beneficiaries in the spoliation of farms and mineral assets. It will be difficult to lend credibility to his declared intentions if some divestment of unjust enrichment does not proceed from the highest levels and if the next general election, promised this July,[42] fails to materialise in a timely and transparent manner.

Ministers who retain prominent roles in the new Politburo include slow learner Chinamasa in the key finance portfolio and General Chiwenga as Vice President as well as Minister of Defence. Chiwenga's appointment secures the power of the military[43] and the power behind the military is the Chinese. Subject to the outcome of the next election China will be the main source of funding for future reconstruction of Zimbabwe's infrastructure, its agricultural rehabilitation and continuing investment in mining.[44] Mnangagwa is a client of China and its patronage could complicate any election.

Sound public policy has been lacking in Zimbabwe since the 1980s after subversion of its civil service with appointees incapable of dispassionate advice. If Zimbabwe's experience of the past 40 years teaches anything, it is that bad public policy, sustained by incompetent bureaucracy and ineffective rule of law, is the most powerful explanation of poverty.

Endnotes

1 http://sas-space.sas.ac.uk/5847/5/1979_Lancaster_House_Agreement.pdf

2 Joseph Chaumba, Ian Scoones, William Wolmer, 'From Jambanja to Planning: The Reassertion of Technocracy in Land Reform in Southeastern Zimbabwe?', *Sustainable Livelihoods in Southern Africa Research Paper 2* (Brighton: Institute for Development Studies, March 2003), https://www.ids.ac.uk/files/wRP02.pdf

3 Ministry of Economic Planning and Development, 1981, cited in Innocent Chirisa 'The Untold Part of the Story: Environmental Costs of the Fast Tract Land Resettlement Programme (FTLRP) in Zimbabwe (2000 to 2010)' in United Nations Convention to Combat Desertification, *The Economics of Desertification, Land Degradation and Drought: Methodologies and Analysis for Decision-Making. Extended Abstracts*, UNCCD 2nd Scientific Conference (Davos: The Global Risk Forum, 2013), https://www.academia.edu/26837990/UN_Conference_to_Combat_Desertification_Extended_Abstracts_2013

4 Tim Curtin, 'The Economic History of Land Tenure in Zimbabwe', Paper read at the Conference of the African Studies Association of Australasia and the Pacific (Canberra: Australian National University, 31 January 2008), http://afsaap.org.au/assets/The_economic_history_Zimbabwe.pdf

5 As above.

6 Craig J. Richardson, 'How the Loss of Property Rights Caused Zimbabwe's Collapse', *Economic Development Bulletin No 4* (Washington DC: Cato Institute, 14 November 2005).
7 University of Massachusetts, http://www.liquisearch.com/robert_mugabe/honours_and_revocations
8 Colin Poulton, Rob Davies, Innocent Matshe and Ian Urey 'A Review of Zimbabwe's Agricultural Economic Policies: 1980-2000', ADU Working Paper 02/01 (UK: Imperial College Wye, March 2002), https://ageconsearch.umn.edu/bitstream/10922/1/adwp0201.pdf
9 Andrew Meldrum, 'Mugabe Tells Britain: You Can Go to Hell, *The Guardian* (2 March 2002).
10 Chaumba et al, 'From Jambanja to Planning'.
11 *Land Acquisition Act* (Chapter 20:10), https://www.informea.org/sites/default/files/legislation/zim2771.pdf
12 Richardson, 'How the Loss of Property Rights Caused Zimbabwe's Collapse'.
13 As above.
14 Ian Scoones and William Wolmer, 'Livestock, Disease, Trade and Markets: Policy Choices for the Livestock Sector in Africa', *Working Paper 269* (UK: Institute of Development Studies, June 2006), file:///C:/Users/setup/Downloads/Land-Landscapes-and-Disease_Ian-Scoones-and-William-Wolmer.pdf
15 Curtin, 'The Economic History of Land Tenure in Zimbabwe'.
16 *Sunday Mail* Reporter, 'Ex-Minister Gave 15 Farms to Wives' Lovers' (18 January 2015).
17 Chaumba et al, 'From Jambanja to Planning'.
18 Archibald M. Gijima 'Zimbabwe's Courts Are Working But is the Rule of Law?', *Canadian Lawyer* (26 January 2009).
19 Richard Quest and Sheena McKenzie, 'President Mnangagwa: "Zimbabwe Is Open for Business"', *CNN* (24 January 2018).
20 Peta Thornycroft, 'Chinese Farmers Take Over Former White-Owned Farms in Zimbabwe to Cash in on Tobacco', *The Telegraph* (17 September 2016).
21 Tendai Mugabe, 'Govt Amends Indigenisation Law', *The Herald* (1 December 2017).
22 Owen Gagare/Herbert Moyo, 'Succession Rocks Diamond Mining', *The Independent* (18 March 2016).
23 As above.
24 Amelia Hill, 'Blood Diamonds from Zimbabwe to Flood International Market, Watchdog Warns', *The Guardian* (9 July 2010).
25 Craig J. Richardson, 'Why is One of the World's Least-Free Economies Growing So Fast?', *Policy Analysis* (18 March 2015) https://www.scribd.com/document/139774248/Zimbabwe-Why-Is-One-of-the-World-s-Least-Free-Economies-Growing-So-Fast
26 Hazel Ndebele, 'US$ 15bn Missing Diamonds Revenues Story False: Mugabe', *The Independent* (13 April 2018).
27 Richard Mhlanga and Mabutho Sibanda, 'An Investigation of Corporate Financial Strategies Used by Banking Institutions During the Hyper-Inflationary Period in Zimbabwe', *Mediterranean Journal of Social Sciences MCSER Publishing, Rome-Italy* (November 2013), http://www.mcser.org/journal/index.php/mjss/article/view/1552/1564
28 Richardson, 'Why is One of the World's Least-Free Economies Growing So Fast?'.
29 Steve H. Hanke and Alex K. F. Kwok, 'On the Measurement of Zimbabwe's Hyperinflation', *Cato Journal* 29:2 (Spring/Summer 2009), 353-364.
30 Dr G. Gono, Governor of the Reserve Bank of Zimbabwe, 'Press Statement on the Rampant Fraudulent Activities on the Stock Exchange, the Insurance and Pension Fund Industries, and the Banking Sector' (20 November 2008), http://www.rbz.co.zw/assets/press_zse.pdf
31 'Mugabe Prepares to Form Unity Government and Fires Ministers: Media', *The Zimbabwe Situation* (3 January 2009), http://www.zimbabwesituation.com/old/jan4_2009.html
32 Eric Chiriga, 'We Have Been Saying It', *Daily News Live* (26 September 2017).
33 'Zimbabwe is Staring at Currency Chaos Again', *Financial Times* (26 February 2017).
34 IMF, 'Zimbabwe: 2017 Article IV Consultation', *IMF Country Report* 17/196 (July 2017).
35 Michael Wines, 'Zimbabwe's Cleanup Takes a Vast Human Toll', *The New York Tim*es (11 June 2005).
36 Nokuthula Sibanda, 'Zimbabwe: 1 Million People Lost Livelihoods in Mugabe's Farm Seizures', *ZimOnline* (22 September 2008), https://reliefweb.int/report/zimbabwe/zimbabwe-1-million-people-lost-livelihoods-mugabes-farm-seizures
37 Reuters staff, 'Zimbabweans Take to Johannesburg Streets to Celebrate Mugabe's Resignation', *Reuters* (22 November 2017).
38 D. M. Freemantle, *A Hole in Our Lives Forever* (US: Xlibris Corporation, 2011).
39 Jonathan Crush, Godfrey Tawodzera, Abel Chikanda, Sujata Ramachandran and Daniel Tevera, *South Africa Case Study: The Double Crisis—Mass Migration from Zimbabwe and Xenophobic Violence in South Africa*, (Vienna: Centre for Migration Policy Development, 2017), http://scholars.wlu.ca/cgi/viewcontent.cgi?article=1000&context=samp
40 AfriForum, 'The Reality of Farm Tortures in South Africa' (June 2014) https://www.afriforum.co.za/wp-content/uploads/Afriforum_Plaasmoord-verslag_Junie-2014.pdf
41 As above.
42 'President says Zimbabwe to Hold Elections in July', *Reuters* (18 March 2018).
43 David Coltart, 'After Mugabe: Mnangagwa's Choice', *Policy* 34:1 (Autumn 2018), 51-54.
44 Sidi Ahmed Ould Al Amir, 'Zimbabwe Between Two Presidents', Aljazeera Centre for Studies (26 December 2017).