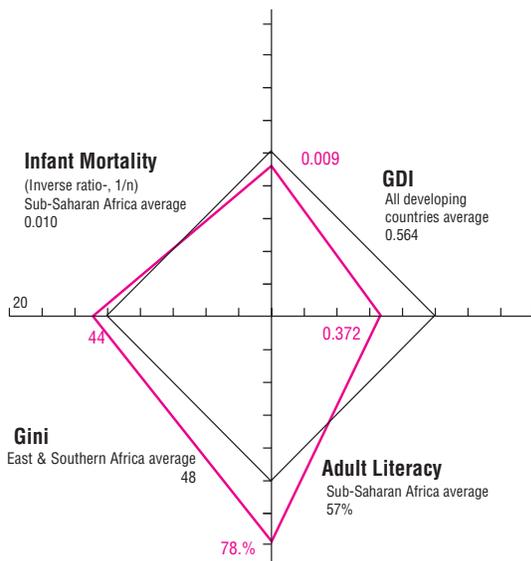


• FRANCIS CHIGUNTA

INTENTIONS ARE NOT ENOUGH



The Equity Diamond: National values in terracotta compared to regional ones in blue.
 Source: **Infant mortality:** UNICEF, *The State of the World's Children, 1998*; **Adult literacy:** UNICEF, *The State of the World's Children, 1998*; **GDI** (Gender Development Index): UNDP, *Human Development Report 1998*; **GINI:** World Bank, *World Development Indicators 1998*. (The regional average for this indicator was calculated by Social Watch).

People are starving under the current economic restructuring programme. People are sick, cannot send their children to school, have no decent shelter and lack access to safe drinking water and sanitation facilities. The real score is evident in the emaciated bodies, in homes, streets, work places, fields, schools, hospitals and prisons. They show the free fall in people's standard of living, and they reveal a classical case of economic and social regression.

The present Movement for Multi-party Democracy (MMD) government came to power on a platform of economic reform and change. Since 1992, the government has undertaken sweeping policy reforms within the context of the Structural Adjustment Programme (SAP). The reforms are aimed at stabilising the economy and providing an environment for enhancing productivity and gainful employment, and for stimulating economic growth.

The major policy reforms undertaken to revive growth in the economy include: fiscal and monetary policies designed to reduce the government's fiscal deficit and inflation; elimination of control on key prices such as the exchange rate, interest rates and public utility tariffs; liberalisation of agriculture input and product markets; removal of subsidies; and many other institutional and legislative changes.

During 1995, economic policies focused on effective allocation and utilisation of resources in order to promote economic growth by liberalising markets. In 1996 and 1997, macro-economic stability was the main policy objective; restoration of investor confidence in the economy following a spate of bank closures was also an objective.

The above measures undoubtedly resulted in significant improvements in macro-economic management and stabilisation in Zambia, at least until 1997. The tight fiscal and monetary policies resulted in a significant reduction in the government's fiscal deficit and a drop in inflation, which dropped from triple digit levels in the early 1990s to double-digit figures today.

Although the stabilisation and reform policies put in place in Zambia since 1992 improved macro-economic management, this dividend has been overshadowed by lack of growth in the economy, decline in many economic sectors, fall in exports and lack of improvement of living standards.

Since the start of reform in 1992, economic growth has been elusive, with positive growth being registered only in 1993 and 1996. The 1993 growth was wholly attributable to a good agricultural harvest following the 1992 drought, which was one of the worst in Zambia in decades. All other sectors generally registered a decline in 1993. Growth in 1996 also came largely from agriculture, although other sectors also recorded some growth.

Monetary tightness may also have contributed to poor economic

performance. Tightening of the money market resulted in high nominal interest rates, which have had adverse effects on the operating costs of businesses and therefore on production and investment.

This poor economic performance indicates that liberalised markets, as currently managed in Zambia, have failed to live up to expectations. Elusive economic growth, declining export earnings, agriculture market failure, financial institutional failure and a worsening foreign exchange situation all point to greater deprivation in Zambia.

The economic reform programme has resulted in undesirable social effects which, already difficult to accept in the short-term, are intolerable in the long-term, even if it could be proven that the situation would have been worse in the absence of adjustment. UNICEF, UNDP, OXFAM and NGOs reports show that economic reform has left the majority of people in both rural and urban areas with precarious livelihoods and inadequate incomes to meet their basic needs.

In urban areas, measures used to liberalise the economy, especially privatisation and public service reforms, have worsened already high unemployment levels through lay-offs (retrenchments), company closures, and so on. 60 thousand jobs have been lost since 1991 as a result of liberalisation policies; 6 thousand of these are attributed to the privatisation programme.

The deteriorating social situation in Zambia despite improved macro-economic management suggests that the envisaged enabling environment is rather disabling for the majority of people. This disabling environment strongly suggests that people need a broader agenda for economic and social participation than that provided and demanded by «market forces». The market system's much talked about «trickle down» process is inadequate to integrate excluded sectors into mainstream economic activities, since it does not provide them access to training, credit, work, etc. **Current macro-economic stabilisation and economic reforms will not by themselves guarantee Zambia sustainable economic growth and social development.**

THE GOVERNMENT AND SOCIAL DEVELOPMENT

The promotion of equity demands the removal of all economic, political, social, cultural and other barriers so that people can participate in, and benefit from, existing opportunities in the land. It means that people must have equal access to these opportunities regardless of their tribe, social economic status, religion, gender and other such categorisations.

The government will have to take deliberate measures to rectify inequity in Zambia, especially inequity in income and employment, inequity of access to productive resources, and gender inequity. As things currently stand, economic inequity for most Zambians stems mainly from lack of equitable access to resources such as income, capital, employment opportunities and land.

Measures taken to reduce Zambia's highly skewed income distribution are still inadequate. With a gini coefficient value of 0.50, income inequality is very high in Zambia, where the majority of the population (78.2%) has been reduced to crude forms of

survival in the informal sector. No attempts have been made by the government to promote productive employment through active job creation policies and programmes.

Government initiatives to ensure equitable access to land and other capacity building instruments such as credit and training have been few and far between. The majority of Zambians do not have access to the resources they need to lift themselves out of poverty.

Government measures to promote equitable access to food and housing have so far failed to significantly improve household food security or to provide decent shelter for the majority of people. **This is manifest in widespread hunger, high levels of malnutrition among children, and rapid growth of illegal or informal settlements in the country.**

In response to the crises facing the social sector, especially health, education, and water and sanitation, the government has embarked on seemingly ambitious institutional reforms. While these reforms have had some success in improving the physical condition of facilities, they have so far failed to provide efficient delivery of services, let alone equitable access to social services.

EQUALITY AND DISCRIMINATION

Inequality in Zambia is most evident in gender relations and in the lack of participation by the majority of people in decision-making. To redress these imbalances, the government has made attempts to institutionalise gender equality at various levels of the government structure and to decentralise decision-making through the local government system. **These initiatives, while commendable, have remained inadequate to redress gender imbalances, as manifest in rising violence against women, growing poverty, and increased marginalisation in decision-making.**

Although open discrimination against individuals or groups of individuals is not practised in Zambia, **forms of discrimination or favouritism and biases towards particular groups that used to be subtle are now practiced more openly.** This is particularly true with regard to tribe or ethnicity. Most Zambians fear that tribalism is slowly rearing its ugly head. There is widespread perception that key political and economic institutions in the country are dominated by northerners, who are largely Bemba speakers. This slow tribalisation of Zambia is reflected in the *de facto* adoption of the Bemba language as the *lingua franca* in public offices and its wide use for all verbal communication.

At present, Zambia has no deliberate policies aimed at promoting equitable ethnic integration, and therefore at nation-building. The unifying national motto, «One Zambia, One Nation», has been dropped.

POVERTY AND PLANS

An estimated 70% of Zambia's population lived in poverty in 1991. In 1993, the figure grew to 74%. In 1996, the percentage

was estimated to have declined to the 1991 level, but by current estimates, poverty has risen again to 72%.

Realising that «no sustainable human development can occur in the midst of high poverty levels», the government announced in its 1998 budget the medium-term objective of reducing poverty to less than 50% by the year 2004. **This budget announcement is highly significant because it is first time that the present government publicly admitted the existence of high poverty levels in the country and committed itself to addressing the problem.**

Many organisations and structures have been established to implement poverty reduction programmes. However, weaknesses have rendered these programmes ineffective and compelled the government to draft a National Poverty Reduction Strategy Framework (NPRSF).

The NPRSF takes a holistic approach to poverty reduction in Zambia. Although well-intended, the NPRSF framework suffers a number of major weaknesses such as lack of a definition of poverty in the Zambian context and quantifiable poverty reduction targets. Given these weaknesses, the government's intention of significantly reducing poverty in the year 2004 in Zambia may be hard to attain. More so, because in the intervening period, the Zambian population will have increased by 20%. A poverty incidence of 50% in 2004, even if attained, would still leave more Zambians poor in that year than today.

DEMOCRACY'S CHALLENGES

In 1991 Zambia emerged as a model of peaceful transition from a one party state to a multi-party democracy, setting a precedent for a peaceful and orderly transfer of government in Africa. The Movement for Multi-Party Democracy (MMD) defeated the United National Independence Party (UNIP), which gracefully bowed out of office.

However, the transformation from a one party regime to a multi-party democracy was not an end in itself. The new democratic system of government had to be sustained and institutionalised, especially with regard to transparency, accountability, tolerance, upholding the rule of law and above all, promoting growth and economic progress. The ability to produce results in these areas would confer legitimacy on the government and consolidate the democratic process in the country.

By and large, the MMD government has established the institutions basic to democracy in the country, including the Anti-Corruption Commission, Drug Enforcement Commission, Independent Electoral Commission, and the Human Rights Commission. Despite these new democratic institutions, numerous events since 1996 have undermined the credibility and effective functioning of democracy in Zambia. The current situation falls far short of the promises, and resultant expectations, that triggered the jubilation that gave birth to the current (Third) republic in 1991.

The problems of democratisation in Zambia negatively affect the economy. Donor community dissatisfaction with the government over the issue of «good governance» has cost the country hundreds of millions of dollars in withheld aid. In particular, the donor community has refused to release over USD 500 million it pledged to the Zambian government at the last Paris consultative group meeting.

This situation has had adverse consequences for social development in Zambia. The rise in Zambia's external debt, the foreign exchange crunch, the consequent depreciation of the external value of the Kwacha and the resurgence of inflation and rising trends in interest rates, mainly as a result of withheld donor aid, means that Zambia cannot generate sufficient resources for investment in the social sector. Not surprisingly, social indicators have tended to be negative, resulting in a fall in UNDP rankings from 143 in 1997 to 146 in 1998. Deepening social problems, coupled with problems of democracy, have given rise to disillusionment and frustration, and because of this, violent protest is on the increase.

Future prospects for democracy in Zambia appear grim. Economic suffering and poverty hamper organised political activity and increase the possibility that a demagogue or elements of the military will claim power. There is, however, also a possibility that a new, dynamic leadership will emerge and that progressive political alliances will be formed. The potential for the promotion of democracy in Zambia is still there. Democratisation is a long-term process, and the government could still effectively consolidate the nascent democracy by promoting and strengthening democratic institutions.

Although Zambia signed the ten commitments at the World Social Summit, implementation has been ineffective. Against this background, the Zambian government urgently needs to strengthen existing, and devise new, policies, measures, initiatives and plans of action to promote social development, so that the majority of Zambians can begin to enjoy an enhanced quality of life, freedom and self-esteem.

Lack of adequate financial resources should not be an issue. With the right policies and programmes, the Zambian government can, given the current abundance of human and natural resources, improve the economic and social conditions of people.

- Women for Change (WFC) is a non-partisan Zambian Non-Governmental Organisation (NGO), born in 1992 with support from the Canadian University Services Overseas (CUSO). WFC is committed to working with and empowering women in remote rural communities through gender analysis and popular education methodologies to achieve social change.