



ZAMBIA CHAPTER

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**GOVERNANCE  
AND PUBLIC  
SERVICES  
DELIVERY  
IN ZAMBIA**

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**Governance and Public Services Delivery  
in Zambia**

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# **GOVERNANCE AND PUBLIC SERVICES DELIVERY IN ZAMBIA**

*Editors:*

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Mwamba D. Kalabula**

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## **Preamble**

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### **Introduction**

The papers constituting the chapters for this book came out of a number of local workshops that have been held by the Zambia Chapter of the Organisation for Social Science Research for Southern and Eastern Africa (OSSREA). The focus of the book is on issues of governance and provision of public services in Zambia. The significance of this focus is against the backdrop of the high levels of poor delivery of public services in most African countries. The literature attributes this state of affairs to several factors. Among these are issues related to poor governance, low level of economic development, which in turn could be attributed to poor management of the economy. This, therefore, means that the political and economic environments are important in understanding the role of the state in the provision of public services. These chapters, therefore, deal with the provision of public services in Zambia and the context of the political and economic environment in the provision of public services in the country.

### **Political Environment of Service Delivery**

Governance as Gumisai Mutume observed would refer to the 'various processes relating to leadership, such as policy-making, transparency, the protection of human rights, and among the public, private and civil sectors in determining how power is exercised.' The nature of governance does to a great extent have an impact on the development prospects of a country. Hence literature on service delivery makes a clear link between governance and service delivery in the sense that an important link exists between the way a country is governed and its prospects for economic development. For example, Wassib Harrib, President of the Arab Centre for the Rule of Law and Integrity based in Beirut, argues that democracy is support of development in the sense that it allows citizens to participate in democratic life and in the process allows them access to information concerning government policies and by so doing can hold their government accountable for achieving set goals and 'an accountable government is more likely to stay course in pursuit of these goals.'<sup>1</sup> It is therefore critical to understand the nature of governance in order to have full appreciation in assessing the nature of service delivery in Zambia.

Thus the first three chapters, by Laurent C. W. Kaela, Neo Simutanyi and Friday E. Mulenga deal with the political environment specifically with the issue of democratic governance. Since the collapse of the Cold War, issues of governance have been given great promise in affecting the ability of the African state. The chapter by Kaela deals with issues related to the electoral system. Issues relating to elections have generated a great deal of political conflict in Zambia. The past two post-one party elections, in 1996 and 2001 were disputed and challenged in the courts. It is in this context that the issue of elections becomes very important in understanding problems of governance in Zambia. Kaela's chapter therefore is to discuss the most fair electoral system. He discusses and compares the current electoral system with the proportional representative system. Similarly the chapter by Mulenga is an attempt to show that the democratic political culture among political players is still low. One of the major factors about the nature of Zambian politics is the absence of strong ideological divide to provide a basis on

which different political parties are formed. This has led to a situation where politicians' choices of political parties is based on the chances that a political party has to form a government. Hence as Mulenga has appropriately observed, political opportunism has been a major characteristic of Zambian politicians who keep shifting from one political party to another. The chapter by Simutanyi focuses on issues of citizenship. Simutanyi's central argument in this chapter is that while the issues of democratic participation and human rights have emerged as fundamental aspects of African politics, the process of democratisation has not, however, resolved the issue of the right of citizenship. He argues that African governments, including Zambia have tended to use citizenship against opponents and members of national minorities.

### **Decentralisation of State Institutions and Public Service Delivery**

Another aspect of attempts at improving the quality of governance with the great relevance for service delivery has been the various attempts at strengthening the capacity of the state institutions to deliver public services through administrative reforms. The reforms have been undertaken to enhance the capacity of state to deliver services efficiently. Administrative reforms have been attempted in several African states to improve the efficiency and capacity of the state institutions to provide public services.

In Zambia the post-one party regime came up with an administrative reform programme, an important component of which was the decentralisation of structures and services. Decentralisation as a reform programme is in line with the growing worldwide sentiments towards greater devolution. Writing for the European Centre for Development Policy Management (ECDPM), Jean Bossuyt and Jeremy Gould argue that 'decentralisation holds great potential for development, in particular poverty reduction as it creates 'space' for people to effectively participate in the decision making process'. This in turn makes the state institutions more likely to become more responsive and accountable to the needs of the people.<sup>2</sup> Similarly, John Harries argues that the 'more governmental authority is devolved to local bodies, the better informed government will be about the specifics of local circumstances, the more accountable it will be because it will be vulnerable to citizens' pressure'.<sup>3</sup>

The chapters by Peter Lolojih and Moderate Momba deal with the issue of decentralisation. The chapter by Lolojih looks at the several attempts made at reforming the local government authorities in order to make them more responsive to local need, from as early as in 1965, one year after Zambia became a sovereign state to 1991, and the latest intervention in trying to make the local authorities effective in public service delivery. Moderate Momba specifically focuses on health and Boards that were created with the coming in of the Chiluba regime in line with the decentralisation policy. This was part of the overall Public Service Reform Programme (PSRP). In a way, the chapter by Momba provides a useful link between the analysis of the administrative and political structures and processes and the impact of the state institutions to provide services to the citizenry. On the other hand, Wilma Nchito's chapter delves into an important economic activity of local authorities in Zambia. Running council markets is an important role of local authorities. One of the functions of councils is to provide market services. This also serves as a source of funds for councils. Wilma discusses the problems that these markets face.

### **The Economic Environment and Public Service Delivery**

As alluded to earlier, economic development is an important precondition for a country to provide public services. In fact, it has been argued that economic development is an important precondition for the ability of any state to provide public services. As the literature on



economic development indicates, economic development involves economic growth that is accompanied by fundamental structural changes in the economy. Structural changes include among others an increase in the standard of living of the majority of citizens. Thus as Malcolm Gilles and others argue, economic growth is necessary because it is economic growth that can act as a precondition for structural changes in the economy. Without economic growth, there would be no resources to provide these public services<sup>4</sup>. Yet the major problem that has faced most African countries has been slow or no economic growth taking place. This subsequently has adversely affected the provision of public services in most African countries. In this respect the chapter by Kamini Krishna attempts to show that the economic system that existed in Zambia's Second Republic contributed to the decline in the economy. The shift from a planned economy to a market economy is contributing towards the resuscitating of the Zambian economy. The chapter, therefore, is essentially an evaluation of the privatisation programme, which was the central feature of the new economic arrangement in the country. Thus, one of the central arguments has been that the principal factor contributing to poor service delivery in the one-party era was that the economic policies had led to declining economies and subsequently decline in both quantity and quality of public services.

Economic development goes beyond economic growth. Dennis Goulet who Chilipamushi quotes in his chapter at length points out, 'development is a particular constellation of means of obtaining a better life' and whose objective should include providing 'more and better life-sustaining goods to members of the society' and to improving and creating 'material conditions of life'.<sup>6</sup> The focus of the chapter by Davidson Chilipamushi is that poverty reduction and delivery of public services such as education and health facilities should be seen as an integral part of development. In essence, he argues that economic development in Zambia should translate itself into increased benefits to the people.

The other issue that has seriously negatively impacted on both the state's ability to provide public services and economic development in Zambia has been the rampant corruption that exists in the country. The extent of corruption in the country forced the current administration to appoint a task force to investigate the nature and level of corruption during the period 1991 to 2001. The chapter by Nessim J. Ronan details the level of corruption that accompanied the Presidential Housing Initiative, and the extent of the financial loss that the country suffered.

### **External Actors and Service Delivery**

External interventions in form of donors have also played a vital role in the provision of public services in Zambia. This intervention has taken the form of provision of both financial and manpower resources. The intervention of external players in the provision of public services has not been without its problems.

The chapter by Darlington Kalabula does raise some critical issues about the role of some donor countries that provide personnel assistance in the provision of public services. The chapter by Charles Subulwa raises some issues that relate to conditionalities associated with external players. Taking a case study of the role of donor countries in the provision of education for children with special needs in Zambia, the focus of the argument is that such intervention has not necessarily been beneficial because some of the donors tend to pursue self-serving objectives in their personnel aid policies. The chapter by Subulwa discusses one important conditionality in the provision of services in the education sector, the principle of cost sharing. Subulwa's central argument is that cost sharing has adversely affected the provision of education in Zambia, including primary school, which is considered a right in line with the United Nations Declaration.

## ENDNOTES

- <sup>1</sup> Wassim Harb, 'Turning Democracy into Development' in *Democracy at Large*, Vol. 1. No. 1(2005).
- <sup>2</sup> Jean Bossuyt and Jeremy Gould, *Decentralisation and Poverty Reduction: Elaborating the Linkages (Policy Management Brief No. 12)* . Maastricht. ECDPM at [http://www.oneworld.org/ecdp/pmb/bl2\\_gb.htm](http://www.oneworld.org/ecdp/pmb/bl2_gb.htm).
- <sup>3</sup> John Harries, 'Democratic Decentralisation: The Dialectics of Decentralisation' in *Frontline* vol. 13, No. 13 (June 24 - July 7,2000) and also at<http://www.flonet.com/fl73/17130700.htm>.
- <sup>4</sup> Malcom Gills, Dwight H. Perkins. Michael Roemer and Donald R. Snodgrass,*Economics of Development* (3<sup>rd</sup>ed.). New York. W.W. Norton & Company, 1992.
- <sup>5</sup> Dennis Goulet, *The Cruel Choice: A New Concept in the Theory of Development*. Centre for Study of Development and Social Change, Massachussets, 1973, p. 94.

# Zambia's Electoral System in Perspective

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## Introduction

Elections constitute an important element of democratic governance by allowing the governed to choose their leaders and choose among competing political parties and policy programmes. They also help to legitimise political leaders and regimes. For elections to fit into the democratic equation, certain conditions must be met. Participation in the electoral process must be open. The requirements for voter registration must be such that they do not impede participation. The administration of the process must be efficient and effective. The voting process must be transparent so as not to raise doubts about its fairness and integrity. The playing field must be level to ensure that some players do not have undue advantage over others.

Elections are generally conducted in a framework of rules and procedures in the form of laws and regulations. They are managed by authorities or structures assigned this task. These form part of electoral institutions. After voting is over, the valid votes must be converted into seats or elective positions. The method used to do this is what is generally referred to as the electoral system.

Mindful that electoral outcomes are conditioned as much by the actions of key players as by the institutional framework within which they take place, among other things, this paper focuses primarily on analysing the ways in which the electoral system in Zambia has influenced the outcomes of presidential and parliamentary elections since the advent of multi-party democracy in 1991. Other aspects of the electoral process to be covered will include, registration of voters, delimitation of constituencies, electoral laws and electoral administration.

## The Franchise and Registration of Voters

At the time of independence from British rule, Zambia adopted a universal adult franchise and a common voters' roll. Any citizen aged twenty-one years and above was eligible to vote. The minimum age was later changed to eighteen years, where it remains to date. A person who is eligible to vote can only vote if he or she is registered on the voters' roll. Registration takes place at gazetted centres, which also serve as polling stations at the time of elections. The green National Registration Card (NRC) must be produced as proof of Zambian citizenship at the time of registration. Registered voters are then issued with voters' cards, which they must produce together with the green National Registration Card each time they want to vote in an election. They are also given a copy of the RV 1 form as a receipt for registration. A registered voter has to vote at the centre where he or she is registered. Those who have travelled away or have relocated elsewhere are prevented from voting. For the purpose of registration and voting, the country is divided into polling districts. Each district has one polling-station-cum-registration centre. There are currently 5 500 polling districts/registration centres throughout the country.<sup>5</sup> Registration of voters is usually done by the Electoral Commission in the run up to general elections. Thus the registers are not very up-to-date.

According to data from the 2000 National Census of Population and Housing (presented in Table 1), 3 984 697 people are eligible to hold green National Registration Cards, which are issued to citizens aged sixteen years and above. Out of this, 3 068 148 (77 per cent) have been issued with the cards, leaving out 916 549 (23 per cent) persons. Thus, close to one million people

who are eligible do not have the cards. This number includes eligible voters who cannot therefore register to vote. The distribution of eligible population by province ranges from 216 694 for North-Western province to 685 286 for the Copperbelt province. Numbers of card holders range from 181 542 for North-Western province to 525 665 for the Copperbelt province. The percentage of the eligible population who hold the cards ranges from 71 per cent, for Central province to 84 per cent for North-Western province.

The 2000 Census data has also shown that out of the nation's population of 10 285 631, 3 649 255 (35.48 per cent) are eligible voters. Registration data compiled by the Electoral Commission indicate that 2 408 307 persons are on the voters' roll. This is 66 per cent of eligible voters and 23.5 per cent of the national population. Thus 1 240 948 eligible persons are not on the voters' roll. As shown in Table 2, the number of registered voters has declined from 2 913 863, in 1991, to 2 604 761, in 2001. While the decline may be partly due to the high mortality rate in the country, registration bottlenecks are also to blame. These include failure to obtain National Registration Cards; poor management of the process; and apathy.

**Table 1: Distribution of National Registration Cards by Province**

Province	Eligible Population	NRC Holders	
		No.	%
Northern	442,610	336,296	76
Luapula	313,403	254,765	81
Copperbelt	685,286	525,665	77
Central	384,718	273,782	71
Lusaka	606,191	485,177	80
Eastern	522,291	393,580	75
Southern	487,200	372,567	76
Western	326,304	244,774	75
North-Western	216,694	181,542	84
<b>Total</b>	<b>3,984,697</b>	<b>3,068,148</b>	<b>77</b>

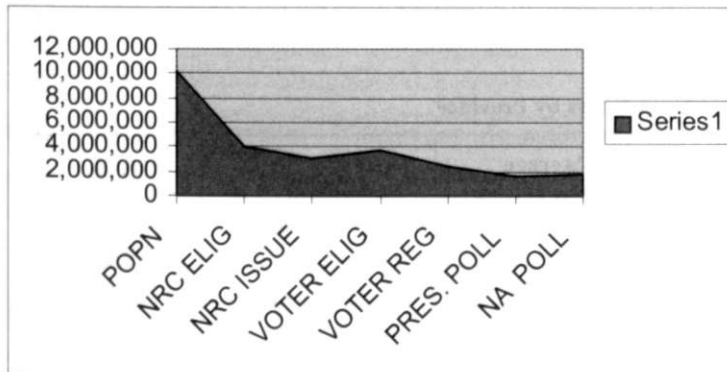
Source: Central Statistical Office

**Table 2: Voting Trend, 1991 - 2001**

	1991	1996	2001
Eligible voters		4 200 000	3 649 255
Registered voters	2 913 863	2 267 303	2 604 761
Votes cast (Na)	1 324 962	1 331 047	1 751 352
Votes cast (Pres)	1 323 154	1 325 053	1 643 558
Na Minus Pres votes	1 808	5 994	107 794
Per cent poll - Na	45	58.70	67.24
Per cent poll - Pres	45	58.44	67.81

Sources: Central Statistical Office; Electoral Commission of Zambia

**Diagram 1: Electoral Statistics of Zambia, 2001**



**Delimitation of Constituencies**

The delimitation of constituencies has an impact on the electoral outcomes, especially in a country like Zambia where political parties tend to have regional strongholds. The more constituencies a political party has in its stronghold, the more chances it has of enhancing its share of seats in the National Assembly.

The last delimitation of National Assembly constituencies was done in the run up to the 1991 elections. The number then was increased from 125 to 150. The constitution provides that the number of constituencies shall be equal to the number of elected members of the National Assembly and that the boundaries shall be determined by the Electoral Commission [Article 77 (1)]. It gives the minimum number of constituencies to be allocated to each province as ten. The commission is supposed to take into account availability of means of

communication and geographical features of areas to be divided into constituencies. In Article 77 (4) the constitution spells out the criteria for delimiting boundaries in the following words:

The boundaries of each constituency shall be such that the number of inhabitants thereof is as nearly equal to the population quota as is reasonably practicable: Provided that the number of inhabitants of a constituency may be greater or less than the population quota in order to take into account means of communication, geographical features and the difference between urban and rural areas in respect of density of population and to take into account of the proviso to clause (2).

The population quota is defined as the number obtained by dividing the population of Zambia by the number of National Assembly constituencies [Article 77 (7)]. The constitution has given the Commission too much discretion in exercising the function of delimiting constituencies. The population quota is to be used as a mere guide and can be ignored by the Commission. Practically this may seem to make sense as it would be extremely difficult to have all constituencies with populations equal to the population quota. However, the population quota can also be used differently. It may simply be used to determine the number of constituencies to be allocated to a district or province, for example. Thereafter, the constituencies can then be demarcated, taking into account the other factors cited by the constitution, among others. In this instance, the population quota is simply being used as a mechanism for allocating, rather than demarcating constituencies.

While each country has to choose a method appropriate to its own conditions, the method chosen should be such that it does not leave much room for subjectivity. This can make the process lose credibility and open it to contention. Table 3 below shows the average population, average number of eligible voters and the average number of registered voters per existing constituency per province.

table 3: Population and Registered Voters by Province

Province	Population	Average Population	Average Number of Eligible Voters	Average Number of Registered Voters
Northern	1 407 088	67 004.19	19 227.71	14 133.86
Luapula	784 613	56 043.79	20 464.71	14 447.00
Copperbelt	1 657 646	75 347.55	28 416.82	20 601.82
Central	1 006 766	71 911.86	25 122.21	14 686.86
Lusaka	1 432 401	119 366.75	46 689.25	33 270.58
Eastern	1 300 973	68 472.26	25 320.16	17 764.89
Southern	1 302 660	68 561.05	23 350.26	17 882.37
Western	782 509	46 029.94	17 587.53	598.47
North-Western	610 975	50 914.58	16 507.42	13 638.58
<b>Total</b>	<b>10 285 631</b>	<b>68 570.87</b>	<b>24 328.37</b>	<b>16 055.38</b>

Sources: Computed from Central Statistical Office and Electoral Commission Data

Table 4 shows the current distribution of constituencies by province. It also illustrates how the constituencies could be alternatively allocated to provinces using the population quota or registered voters quota or eligible voters quota. The outcomes of the alternative allocations are compared to existing numbers of constituencies for each province. Lusaka province would gain the highest number of seats, nine, if the population quota were used. Next would be the Copperbelt with two, followed by Central province, with one more seat. The main loser would be Western province, with a reduction of six, followed by North-Western and Luapula, with a loss of three each. Northern, Eastern and Southern provinces would retain the current numbers of seats. Using the quota based on registered voters produces a similar pattern of distribution of seats, with shifts in the magnitude of losses and gains. Lusaka province gains most again but with thirteen additional seats, followed by the Copperbelt with six and then Eastern and Southern provinces with two additional seats each. Western province would again lose most; a reduction of sixteen seats, followed by Northern, with three, North-Western with two, and Luapula and Central provinces with a loss of one each.

Finally, applying the quota based on eligible voters yields the following results: Lusaka province again benefits most, getting an additional eleven seats, followed by Copperbelt, with four and Eastern province, with one. Western province loses most (five seats), followed by Northern, and North-Western, with a reduction of four seats each, Luapula (two seats), and Southern (one seat).

The above data suggest that the current system may have favoured particularly Western, North-Western and Luapula provinces. The demarcation of constituencies in these provinces seems to have been influenced by consideration of geographical factors and poor communication infrastructure. Lusaka and Copperbelt provinces appear to be the most disadvantaged, yet they have high concentrations of population, eligible voters, and registered voters. Clearly, in these cases the population quota has been ignored in allocating constituencies.

**Table 4: Actual and Alternative Distribution of constituencies by Province**

Province	Existing Constituencies	Constituencies Based on Population Quota		Constituencies Based on Registered Voters Quota		Constituencies Based on Eligible Voters Quota	
		No.	Change	No.	Change	No.	Change
Northern	21	21	0	18	-3	17	-4
Luapula	14	11	-3	13	-1	12	-2
Copperbelt	22	24	2	28	6	26	4
Central	14	15	1	13	-1	14	0
Lusaka	12	21	9	25	13	23	11
Eastern	19	19	0	21	2	20	1
Southern	19	19	0	21	2	18	-1
Western	17	11	-6	1	-16	12	-5
North-Western	12	9	-3	10	-2	8	-4
<b>Total</b>	<b>150</b>	<b>150</b>	<b>0</b>	<b>150</b>	<b>0</b>	<b>150</b>	<b>0</b>

Sources: Computed from Central Statistical Office and Electoral Commission Data

The three-quota systems are quite straight forward and objective, unlike the current one. The biggest problem with changing would be resistance, particularly from those who stand to lose. However, whatever system is chosen will favour some areas, while disadvantaging others. Thus, using the population quota will favour areas with high concentrations of population at the expense of those with low population figures. Applying the eligible voters quota will favour areas with large numbers of eligible voters and vice-versa. The same applies to the registered voters quota. Nevertheless, the main issues in choosing a method of allocating seats should include fairness, acceptability by stakeholders, consistence and ease of application.

Using the population quota to allocate seats to provinces appears to meet the criteria and may be the way forward. The other quotas, by their nature, have relatively narrow demographic bases, while the population quota is derived from the entire population of the country. The constitution already recognises the province as the primary unit for allocating seats when it provides for the minimum number of constituencies. This has not raised controversy.

Another issue concerning the delimitation of constituencies is that it needs to be done regularly and predictably, to avoid the exercise being used to influence electoral outcomes. For example, the law can oblige authorities to demarcate constituencies every five or ten years. Again, the constitution of Zambia uses oblique language in this regard. Under Article 77, the following may necessitate a delimitation exercise:

- Change in the number of National Assembly seats, because of the system of single member constituencies;
- Change in the number of provinces because each province is supposed to have a minimum of ten constituencies;
- Change in the distribution and size of population revealed by a national census. This affects the population quota as well.

As far as the change in the number of seats is concerned, the commission has no discretion. It is mandatory to delimit constituencies. However, if the number of provinces changes such that the minimum number of constituencies in any one province does not fall below the minimum of ten, then it may not be necessary to demarcate new constituencies. This could, however be done when a change in the number of provinces disrupts constituency boundaries. But in this case, the exercise is likely to be a limited one. For changes in population, the constitution provides as follows:

Provided that the Commission shall, where a census of the population has been held and the Commission considers that the changes in the distribution of population reported in the census do not justify an alteration in the boundaries, it shall so report to the President without entering upon a review of the boundaries of the constituencies.

This proviso, it is evident, gives the Commission discretion to determine whether or not changes in distribution of population reported in a census warrant a review of constituencies. Hence, the Commission did not undertake a delimitation of constituencies following the 2000 census. The last delimitation was in 1991, as we have indicated previously, when the number of constituencies was increased from 125 to 150 and a census of population was done. The decision not to review constituencies after the 2000 census has led to a situation where the country has gone beyond ten years without a delimitation of constituencies. This shows a weakness in the constitutional provisions. The constitution, or any law for that matter, does not make it mandatory to have a delimitation within any period of time. When it comes to census, it allows the Commission itself to determine subjectively that a review of constituencies is not or is warranted. Such decisions have profound consequences for the fairness of the



electoral process. It is most likely that if delimitation had been done prior to the 2001 elections, the outcome of National Assembly elections would have been different.

### **The Electoral System**

In Africa, two types of electoral systems are commonly used. These are the plurality of First-Past-The-Post (FPTP) system and Proportional Representation (PR). The plurality system is widely used in former British colonies. Most countries in Southern Africa also use this system. Mozambique, South Africa and Namibia use proportional representation.<sup>2</sup> Since independence, Zambia has been using the plurality or 'first-past-the-post' system. For parliamentary elections, this has been used in conjunction with single-member constituencies. The system is one of the legacies of British colonial rule. It has its origin in the Westminster system. Under this system, the candidate with the highest number of votes is declared winner. He or she does not have to get an absolute majority of the valid votes cast. It follows that, at the level of the constituency, a candidate can win with less than 50 per cent of the votes cast. At the national level, it is possible to have a ruling party with a minority of votes. This situation can raise problems of legitimacy and representativeness for minority winners and governments. The system is also said to favour strong, well-organised political parties, at the expense of relatively small ones with localised support. Since it matters little by how many votes one wins, the system is said to give electoral politics, the stamp of a winner-takes-all character. This promotes politics of exclusion.

Let us now turn to the operation of the system in Zambia. Tables 5 to 9 provide some insight into the electoral consequences of the first-past-the-post system. From Table 5, it can be seen that in 1996 the MMD won 131 National Assembly seats out of 150 (i.e., 87.3%), with 60.97 per cent of the vote. Independent candidates, combined, won ten seats (6.67%) with 9.85 per cent of the national vote. ZADECO and Agenda for Zambia got two seats each (1.3%). However ZADECO received 13.82 per cent of the vote (176 521), compared to Agenda for Zambia's 1.49 per cent (18 982 votes).

A similar picture emerges from the 2001 results. This time the MMD won sixty-nine seats (46%) with 28 per cent of the valid votes. It was followed by the UPND with forty-nine seats (32.67%) which it won with 23.8 per cent of valid votes cast nation-wide. Third came UNIP with thirteen seats (8.67%) secured with 10.59 per cent of valid votes. It should also be noted that, unlike in 1996, no party received 50 per cent or more of the valid votes cast. The MMD retained power with only 28 per cent of the valid votes.

A breakdown of the data in Table 4 at the level of the province is presented in tables 5 and 6. Table 5 shows the votes received by political parties per province and the corresponding numbers of seats. Table 6 shows these data as percentages. At this level, we see only two cases of political parties getting 50 per cent or more of valid votes. The MMD got 51 per cent in Luapula province, while the UPND got 64 per cent in Southern province.

**Table 5: 1996 Elections - Distribution of Seats and Votes by Political Party**

PARTY	SEATS		VOTES	
	No.	%	%	No.
MMD	131	87.3	60.97	778 989
ZADECO	2	1.3	13.82	176 521
NP	5	3.3	7.1	90 823
AZ	2	1.3	1.49	18 982
INDEP	10	6.67	9.85	125 837
OTHERS	0	0	6.77	86 433

Source: ECZ

**Table 6: 2001 Elections -Actual and Hypothetical Distribution of National Assembly Seats by Political Party**

PARTY	SEATS					VOTES	
	PR No.	PR %	FPTP No.	FPTP %	Change in No.	%	No.
MMD	42	28	69	46	-27	28	490 680
UPND	36	24	49	32.67	-13	23.8	416 236
UNIP	16	11	13	8.67	+3	10.59	185 535
FDD	23	15	12	8	+11	15.58	272 817
HP	12	8	4	2.67	+7	7.55	132 311
ZRP	8	5	1	0.67	+7	5.54	97 010
PF	4	3	1	0.67	+3	2.82	49 362
INDEP	5	3	1	0.67	+4	3.39	59 335
OTHERS	4	3	0	0	+4	2.74	48 066

Source: Compiled from ECZ Data

**Table 7: 2001 Elections-Distribution of Votes by Party and Province**

PARTY	XQVGV								
	ER	ED	GR	NKOR	NUM	PR	PYR	UR	YR
MMD	42 570	116, 256	37 887	69 004	39 590	74 044	37 111	38 541	35 677
UPND	36 901	35 913	10 462	5 625	62 526	11 119	45 649	15 382	54 214
UNIP	12 193	24 518	77 018	8 492	19 330	23 412	4 907	7 217	8 448
FDD	15 466	37 808	58 455	12 744	73 860	27 891	10 705	21 416	14 472
HP	17 233	55 816	13 921	2 860	20 622	933	6 668	3 370	1 988
ZRP	7 248	22 909	8 016	19 468	10 362	18 151	2 083	5 463	3 310
PF	1 874	17 227	1 980	4 629	7 125	12 132	636	1 027	2 732
INDEP	1 939	13 412	6 682	9 179	5 466	8 948	7 083	10 014	4 545
OTHERS	2 047	8 117	1 902	3 602	13 681	5 170	1 053	1 283	3 187
TOTAL	137 471	331 976	216 323	135 603	252 562	190 700	115 895	242 158	128 573
ECZ	137 492	332 046	216 323	135 603	252 562	190 700	115 895	242 158	128 573

Source: Compiled from ECZ Data

**Table 8: 2001 Elections - Distribution of Seats by Party and Province**

PARTY	SEATS								
	CP	CB	LP	LUAP	LSK	NP	NWP	SP	WP
MMD	7	20	1	13	1	20	3	1	3
UPND	5	0	0	0	4	0	9	18	13
UNIP	0	1	12	0	0	0	0	0	0
FDD	0	0	5	0	6	0	0	0	1
HP	2	1	1	0	0	0	0	0	0
ZRP	0	0	0	0	1	0	0	0	0
PF	0	0	0	0	0	1	0	0	0
INDEP	0	0	0	1	0	0	0	0	0
OTHERS	0	0	0	0	0	0	0	0	0
VQVCN	36	44	3	36	34	43	34	3	36

Umweg: Compiled from ECZ Data

**Table9: 2001 Elections PerCent Distribution ofVotes by Party and Province**

PARTY	VOTES								
	CP	CB	EP	IP	LSK	NP	NWP	SP	WP
	%	%	%	%	% %	%	% %		
MMD	31	35	18	51	16	39	32	16	28
UPND	27	11	5	4	25	6	39	64	42
UNIP	9	7	36	6	8	12	4	3	7
FDD	11	11	27	9	29	15	9	9	11
11P	13	17	6	2	8	5	6	1	2
ZRP	5	7	4	14	4	10	2	2	3
PF	1	5	1	3	3	6	1	0	2
INDEP	1	4	3	7	2	5	6	4	4
OTHERS	1	2	1	3	5	3	1	1	2
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>	100	<b>100</b>	100	<b>100</b>	<b>100</b>	<b>100</b>

Source: Compiled from KCZ Data

**Table 10: 2001 Elections - Percent Distribution ofSeats by Party and Province**

PARTY	SEATS								
	CP	CB	EP	LUAP	LSK	NP	NWP	SP	WP
	%	%	%	%	%	% %	% %		
MMD	50	90.9	5.26	92.86	8.3	95.2	25	5.3	21.4
UPND	35.7	0	0	0	33	0	75	95	92.9
UNIP	0	4.55	63.2	0	0	0	0	0	0
FDD	0	0	26.3	0	50	0	0	0	7.14
HP	14.3	4.55	5.26	0	0	0	0	0	0
ZRP	0	0	0	0	8.3	0	0	0	0
PF	0	0	0	0	0	4.76	0	0	0
INDEP	0	0	0	7.143	0	0	0	0	0
OTHERS	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: Compiled from ECZ Data

However, in four provinces the MMD got well over 50 per cent of seats. These were Central province (50%), Copperbelt (90.9%), Luapula (92.86%), and Northern province (95.2%). The corresponding votes are 31 per cent, 35 per cent, 51 per cent, and 39 per cent.

For the purpose of comparing the First-Past-The-Post (FPTP) system with that of Proportional Representation (PR), in Table 4 National Assembly seats have been distributed by PR as well. Under the latter, the MMD's sixty-nine seats are reduced by twenty-seven to forty-two, the UPND's forty-nine seats go down to thirty-six (a reduction of thirteen). In all the other cases the numbers go up. Thus UNIP gains three, FDD eleven, HP and ZRP seven each, and the PF three.

From the foregoing, the following observations can be made:

- Under the FPTP system, political parties get seats disproportionate to the votes received nation-wide.
- For the front-running parties (MMD and UPND in 2001, and MMD in 1996), the percentage of seats won is higher than the percentage of votes received. Conversely, for the other parties, the percentage of seats won is lower than the percentage of votes won.
- In the 2001 elections, the ruling party, the MMD, received less than 50 per cent of the valid votes cast (28%), and won sixty-nine out of 150 National Assembly seats.

The result for the 2001 presidential election is similar to that for the National Assembly. The winning candidate, MMD's Levy Mwanawasa received only 28 per cent of the valid votes cast. Previously, in 1991 and 1996 Chiluba received well over 50 per cent of the votes. Hence in the aftermath of the 2001 elections, questions about the legitimacy of the Mwanawasa government were raised. Prior to the 1996 amendment of the constitution, there was a provision in place that if none of the presidential candidates received more than 50 per cent of the valid votes cast, then there would be a re-run between the first two candidates. The idea was to ensure that the person finally elected president would have more than 50 per cent of the vote, thus enhancing his chances of legitimacy.

### **Electoral Laws**

Elections in Zambia are governed by relevant provisions in the constitution, the Electoral Act of 1991, The Local Government Elections Act, and various regulations. Amendments to the constitution in 1996 changed certain aspects of the election of the president. As we have seen before, the requirement of a re-run if no candidate received an absolute majority was repealed. All that was required henceforth was simply a plurality of votes for a candidate to be elected president. Another change, which received a lot of public attention and generated controversy, was the introduction of the requirement that to qualify to contest presidential elections, not only should the candidate be a Zambian citizen, but the parents must also be Zambians by birth or descent. The Supreme Court ruling on the petition by opposition parties against the election of Chiluba as president took a position whose effect is to alter the citizenship clause. It held that, for persons born before independence, one cannot apply the term Zambian because there was no Zambia then. It also noted that people who had been considered to belong to Northern Rhodesia before independence were accorded citizenship by the independence constitution.

In line with the amendments to the constitution, the Electoral Act was also amended by repealing Section 9. In its place came a requirement for presidential candidates to submit an oath of affirmation of their own and their parents' citizenship. The amendment obliged the Chief Justice, as Returning Officer, to accept the oath and affirmation without question. The new section of the Act further provided that petitions relating to the election of the president

should be filed within fourteen days of the new president being sworn in. This blocked any petitions prior to the inauguration of a person whose election is being challenged. The Supreme Court took the position that this provision was not inconsistent with Article 41 (2) (a) of the constitution which, lawyers for opposition parties had argued, did not preclude pre-election petitions.<sup>1</sup> The above changes appear to have been calculated to make it easy for the incumbent to be re-elected and should be re-examined with a view to level the playing field.

Another issue is that of the law and corruption related to elections. As a matter of fact, elections are characterised by money and various materials changing hands. Yet the electoral laws (the Electoral Act itself, and the Electoral (Conduct) Regulations, included) bar corrupt practices in the electoral process. There is clearly a serious problem with the enforcement of the law. The same applies to misuse of public resources by the ruling party for electoral gain. In the run up to the 1996 elections, the sale of government and council houses throughout the country at give away prices was obviously a case of using public resources for electoral gain. Similarly, donations by the president from the discretionary fund were made in such a way as to cultivate electoral support. For the 2001 elections, allegations of public resources having been diverted by the ruling party for its campaign again surfaced. The truth comes out when evidence is presented in court during presidential petition hearings.

### **Gigevqt cilCf o kplmt c v kqp"**

The body charged with the responsibility of conducting elections and carrying out the registration of voters is the Electoral Commission of Zambia (ECZ), established by Article 76 of the Constitution. The Commission also derives its authority from the Electoral Commission Act, of 1998, and the Electoral Act, of 1991, among other laws. It is supposed to be composed of up to five members appointed by the president. The Chairman is supposed to be a person who holds or has held 'high judicial office' or any suitably qualified person. The appointments are subject to ratification by the National Assembly. The term for Commissioners is up to seven years, and is subject to renewal.

Its main functions are to:

- Supervise the registration of voters.
- Conduct presidential and parliamentary elections.
- Conduct local government elections.
- Supervise referenda, under the Referendum Act (CAP 14 of the Laws of Zambia).
- Delimit parliamentary constituencies.
- To make electoral regulations.<sup>4</sup>

The Commission is supposed to function autonomously, without direction from any one. It is also supposed to have financial autonomy, in practice, the autonomy of the Commission is compromised by its heavy reliance on public funding. Similarly, the appointment of members by the president may make them feel obliged to be loyal to the appointing authority who is an interested party as far as elections are concerned.

Experience has shown that, the registration of voters and the conduct of elections in Zambia have been fraught with problems, thereby threatening the integrity of the electoral process. In this regard, the conduct of the 1996 and 2001 elections and registration of voters stand out. Election monitors concluded that these elections were not free and fair. They based their assessments on pre-election, election, and post-election observations.<sup>5</sup> In both cases, as we have already seen from available data, voter registration has failed to capture a significant number of eligible voters. Its conduct also has tended to be haphazard. In the run up to the 1996 and the 2001 elections, the registration process was extended several times to try to get people to register, without much success. The process is characterised by inadequate

preparation, shortage of materials and manpower. For the 2001 elections, Coalition 2001 has observed that 'registration was conducted in a highly unsatisfactory manner'. The exercise was poorly managed by the Electoral Commission, while the National Registration Office failed to provide a large number of eligible persons with National Registration Cards, which are required for voter registration.<sup>6</sup>

The conduct of elections has also revealed serious shortcomings. In some cases, election materials are not delivered on time, or polling stations open late. In the last elections, voting in some polling stations continued for several days. Ballot paper account form verifications have revealed inaccurate recording of results.<sup>7</sup> Yet no recounts are allowed unless a court order is given pursuant to an election petition. The compilation of the results for the 2001 elections revealed anomalies which have not been satisfactorily explained or investigated by the Commission. The European Union Observer Mission and Coalition 2001 have argued that the discrepancy between votes cast for presidential candidates and those for parliamentary candidates raise questions about the integrity of the count.\* The issue is: did large numbers of people cast ballots for presidential candidates and fail to do the same for parliamentary candidates, and vice versa? In the polling stations, voters were being issued with both parliamentary and presidential ballot papers.

### **Conclusions and Recommendations**

#### ***Ht cpej kg"t pf"Xqvt Tgi km cwtqp***

Zambia's electoral process has points of weakness which need to be addressed in order to contribute to the consolidation of democracy. The registration process leaves out a large number of potential voters. While this may be partly due to non-system factors, such as apathy, weaknesses in the registration process also play a part. The failure by the National Registration office to register a large number of people is also a contributing factor. Another weak link is poor management by the Electoral Commission and cumbersome documentary requirements and procedures. For the most part, in rural areas people have to travel long distances to go to voter and national registration centres. This proves to be discouraging.

After registration could be improved by human resource development, by the timely release of funds and by conducting civic education. Mobile registration for the voters roll and for the national registrations cards could also help. Enough resources and proper planning would still be necessary. In this connection it can be observed that, although the system of continuous registration has been accepted, nothing is happening on the ground.

#### ***Fgko kwtqp"qh'Eqpukwgp elgu'***

The current method of distributing constituencies has left provinces with large populations and registered voters, such as Lusaka and the Copperbelt, with disproportionately low numbers of constituencies, while favouring some sparsely populated ones. The method also gives too much discretion to the delimiting authority, the Electoral Commission, such that it leaves a lot of room for subjectivity. The law does not oblige the Commission to undertake reviews of constituency boundaries regularly.

It is recommended that a new method of allocating constituencies, preferably one based on the population quota, be adopted and that the province be used as a unit of allocation. Furthermore, the Commission should be obliged by law to undertake regular reviews of boundaries of constituencies.

***Gigewtci'U'ugo***

The plurality system in use contributes to a disproportionate distribution of seats relative to the votes received by political parties. This operates in two directions; it tends to favour front-runner parties, while disadvantaging the others. It can lead to minority governments and victories by presidential candidates on the basis of pluralities of votes below the 50 per cent mark. This can raise problems about the legitimacy of leaders and governments and create an atmosphere of suspicion. However, the system is simple and relatively cheap to use. In spite of the advantages, consideration should be given to switching to proportional representation.

***Gigewtci'Ney u'epf "Gigewtci'Cfo phatcwap"***

The laws that discriminate against some citizens and those that tilt the playing field in favour of the ruling party should be repealed. The problem of use of public resources for campaigning needs serious attention.

Improving the capacity of the Electoral Commission to enable it perform its functions effectively requires urgent attention. Continuous registration of voters should be implemented and adequate resources made available. Provision should be made in law for a verification of votes at all centres by way of recount by persons who did not do the initial count before election results are announced. Petitioning nomination of candidates should be allowed within a specified period of time before elections are held. To enhance the autonomy of the commission, members should not be appointed by the President, but by an ad hoc commission or search committee established for the purpose.

**Note:** The initial PR distribution of seats left a remainder of one seat, which was allocated to the HP based on the principle of the highest remainder of votes

**END NOTES**

- <sup>1</sup> Bwalya, B.M. (Justice), 'The Electoral Laws and the Role of the National Electoral Commission in the Electoral Process'. Paper Presented to the Second Orientation Workshop for Members of Parliament organised by the SADC Parliamentary Forum held at Pamodzi Hotel. Lusaka, Zambia, 4-7 June 2001, p. 7.
- <sup>2</sup> Ballington, Julie, 'Electoral Reform and Gender Implications', *Election Talk*. June 2000. pp. 10 - 11
- <sup>3</sup> UNIP's Petition Bounces', *The Post*, November 15, 1996.
- <sup>4</sup> Bwalya, *ibid*.
- <sup>5</sup> Baylies, Carolyn and Morris Szeftel. 'The 1996 Zambian Elections: Still Awaiting Democratic Consolidation'. *Review of African Political Economy*. No. 71. pp. 1, 122-126.
- <sup>6</sup> Coalition 2001, *December 27. 2001 Tripartite Elections Preliminary Report*. February 2002, Lusaka: Coalition 2001, p. 6.
- <sup>7</sup> European Union Election Observer Mission, *Final Statement on the Zambian Elections, 2001*. Lusaka: European Union Observer Mission. 2002. p. 3.
- <sup>8</sup> *Ibid.*, *passim*. See also Table 1.



# **Citizenship, Democracy and Politics of Exclusion: The Challenges Facing the Mwanawasa's 'New Deal'<sup>1</sup>**

## **Government**

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### **Introduction**

The issues of democratic participation and human rights have emerged as fundamental aspects of African politics in the 1990s and beyond. The struggle for democracy was not only aimed at the introduction of multiparty political systems and regular elections, it was also a struggle for civil, political and social rights in a broader context.<sup>2</sup> However, democratisation has not resolved the issue of the enjoyment of human rights, especially the right of citizenship. African governments at different times and depending on political circumstances have used the issue of citizenship to expel undesirable opponents of the regime or to restrict political participation of members of national minorities and some vocal and critical members of their societies. It is also observed that, while democratisation involves a struggle for broad human rights of all people, many African countries still deny immigrants and refugees civil and political rights.<sup>1</sup>

The problems with citizenship can be attributed to a variety of factors. These include conceptual ambiguities, colonial antecedents and political leaders' desire to enhance their authority and legitimacy. Conceptually, citizenship involves notions of identity, solidarity and rights and obligations. Citizenship is actualised in the framework of the state, which also confers status and recognition to members of the political community. In the framework of the state, citizenship qualifications are defined and types of citizenship conferred. The different requirements to qualify to become a citizen, coupled with different types of citizenship status poses problems in the treatment of inhabitants of a political community.

While liberal theory emphasises equality of all citizens, the different citizenship statuses introduces the idea of unequal treatment and recognition of national groups on the basis of their status. Thus citizenship is both an inclusive and exclusive concept, which makes it contradict with democratic theory.<sup>4</sup>

The outline of the argument of this chapter will be sketched briefly here. It will be argued that colonial practices have had an impact in structuring processes of inclusion and exclusion and conceptualising citizenship in Africa in general and Zambia in particular. That the new government, faced with a crisis of legitimacy and erosion of political authority, adopted strategies of political exclusion by invoking citizenship laws either in their arbitrary use or amending them to punish or exclude political opponents from participating in the political process. Crucial however, to the idea of citizenship are the notions of inclusion and equality. Thus citizens are supposed to be equal members of the political community and expected to enjoy equal treatment by the state in the enjoyment of their rights.

This chapter examines the question of citizenship and its relationship to democracy in Zambia. In order to ensure an orderly discussion, the chapter is divided into five sections. The first section is this introduction. The second section discusses colonial antecedents of the problem of citizenship in Zambia. The third section discusses citizenship and democracy in Zambia's Third Republic. The last section is the conclusion which proposes policy recommendations to resolve the problem of citizenship in the context of a democratic society.

### **Colonialism, Identity and Citizenship**

The problem of citizenship in post-colonial Africa is rooted in colonial history. Under colonialism, citizenship had a meaning different from the liberal conception of equal rights. Colonialism promoted a dualism of rights, whereby the indigenous Africans were classified as 'natives' and were denied political, civil and social rights, while the white settlers though not indigenous to the colonial territory enjoyed all the human rights. Later colonialism, further defined citizenship in terms of race, residence and origin. Africans were classified rural citizens and aliens in the urban centres where they were only expected to dwell for the period of their employment contracts and then return back to their 'country' of origin, the villages. On the other hand, European and Asian immigrants were to be the natural inhabitants of the urban areas and enjoyed all the rights of residence. Immigrant labour, however, was denied citizenship rights and also like native labour was expected to return to its country of origin at the expiry of the labourers' contracts.

Thus the colonial construction of group identity, was partly responsible for structuring the processes of the state system, a phenomenon that thwarted the logic of a common national identity and equal citizenship. It was colonialism that radically transformed the social structures and identity formation of present African countries. This was done through the promotion of a colonial mythology and historiography, which sought to assign peculiar attributes to particular ethnic groups or nationalities. It justified colonial recruitment policies into the army, police, civil service, domestic sector and agricultural farms. Identities of natives, migrant labour and settlers was constructed and to it was conferred citizenship rights. This also was to be responsible for stereotypes and ethnic prejudices that were to fuel ethnic conflicts and even civil wars in many African countries.

While colonialism pursued a blatantly discriminatory policy in the granting of citizenship to colonial inhabitants, it should be pointed out that colonial boundaries were artificial, arbitrary and at most unrealistic and did not take into account ethnic or national groups.<sup>5</sup> Africa, unlike Europe, finds itself in a situation in which so many nationalities are scattered in surrounding countries. The need and requirement of people to labour for wages, was to lead in some cases to the uprooting of entire communities from their primary social bases.<sup>6</sup> People sharing a common language, culture, customs and traditions, were rudely separated from their ethnic and familial background, on account of the boundaries.

In the case of Zambia, native Africans and migrant labour were denied civil, political and social rights. They were denied rights of residence in the urban centres where they only came to offer their labour. These did not qualify them for the enjoyment of rights. However, paradoxically, settlers enjoyed the bundle of rights even though they were also immigrants from Britain. This differential application of rights theory was to haunt white settlers for many years to come.

The nationalist struggle challenged the logic of a dualism of rights. The struggle for independence was also a struggle for the extension of rights to all the inhabitants of the colonial territory. Thus at independence, the inherited structures of discrimination, identity and citizenship played an important role in shaping citizenship laws. While the settlers had enjoyed rights during colonialism, which were denied Africans, the new African rulers turned the whole dualism thesis upside down. Immigrants were now denied full citizenship rights. In many countries, settlers were expelled at independence as retaliation at the treatment Africans suffered at their hands when they held political power. However, while white settlers had excluded African natives from the enjoyment of civil, political and social rights, they were quick to design constitutions that were inclusive. For example, in a number of independence constitutions, including that of Zambia, all inhabitants of the colony qualified to become citizens of the independent state. What then explains the adoption of discriminatory policies

regarding the granting of citizenship and treatment of citizens of foreign origin? Three factors may explain the change in attitude by post-colonial leaders. First, Africans suffered discrimination at the hands of white settlers for a long period of time. This discrimination involved the denial of citizenship rights in the land of their birth and descent. There was thus a penchant for revenge. Independence brought with it reverse discrimination, where the new rulers were often obsessed with putting the former colonisers in their place.

Second, citizenship entailed inclusion in the political community and enjoyment of public goods. However, with the scarcity of these goods due to poverty, mismanagement, corruption and other inequities in post-colonial African countries, an influx of new members of the political community was considered undesirable as they could affect the enjoyment of public goods. It is not uncommon, therefore, for foreigners to be blamed for shortages, high crime wave and other anti-social behaviours. The immigrant population was most often used as a scapegoat for societal ills.

Third, the discourse on citizenship has been preoccupied with the construction of the so called indigenous identity or pure citizen. The pure citizen is one who has a birth-right. Others can only be second class citizens. It is assumed that only citizens by birth or descent can practice patriotism, as they have no other country to which they can go. While immigrants can return to their countries of origin when it is convenient to them. There is no scientific basis to suggest that patriotism is a feature that is only found in persons who are citizens by birth or descent. The United States is a country of immigrants and citizens of foreign descent or naturalised Americans are known to have shown patriotism to the United States and even given up their lives in war.

### **Citizenship and Democracy in Zambia's Third Republic**

Citizenship is intricately linked to democracy. As we have shown in the previous section, colonialism was a struggle for human rights, which includes civil, political and social rights. A democratic polity also presupposes an inclusive society. Why then do African leaders, adopt discriminatory policies even in the context of a democratic society?

The dilemma of citizenship in Africa, as Mamdani notes, is the right of citizenship viewed predominantly as a birth right and treatment of individuals of foreign origin. Since the state holds the right or power to recognise or confer citizenship status it has the potential to hold at ransom large sections of the population (especially immigrants) under the status, of non-citizens and then expel them when expedient as was the case with Ghanaians in Nigeria and Rwandese in Uganda.<sup>7</sup>

In Zambia, a discourse of political exclusion dominates the relationship between 'native' Zambian citizens, that is those individuals who qualify by birth and descent and naturalised citizens or citizens of foreign descent. Members of the minority nationalities, such as Europeans and Asians, though free to participate in politics by seeking elective office, have often been ridiculed and harassed on racial lines.

In the Government of former president Frederick Chiluba, an all-inclusive policy was adopted to incorporate members of minority racial groups. Three white and one Asian ministers were appointed to the cabinet.<sup>8</sup> By the end of the first year, all the white ministers had either been dismissed or resigned. Only one Asian minister<sup>9</sup> remained in Chiluba's government up to 2001. It should be noted that behind this facade of politics of inclusion were serious undercurrents of racial innuendos, bordering on challenging the citizenship credentials of the ministers and their loyalty to Zambia as a country. One white minister<sup>10</sup> was dismissed for allegedly making a racist remark. However, African Zambians often make racial remarks against members of racial minorities and escape punishment.

Political intolerance to dissent has sometimes fuelled racist sentiments. Whenever, some members of racial minorities become vocal and critical of the government, they are threatened with deportation to their countries of origin, even when they are citizens by birth. For example, at the height of the third term debate, Dipak Patel had strongly criticised the incumbent president Chiluba. Lusaka MMD provincial chairperson led a crowd of demonstrators who insulted him and demanded his immediate deportation to India.

Political opponents who are either born in Zambia of immigrant parents or are citizens by naturalisation have also been targeted for discrimination by the state. For example, two opposition politicians belonging to the then main opposition party, the United National Independence Party (UNIP) - John Chinula and William Banda, were deported to Malawi on account that they were not Zambian citizens. However, the public record available shows that the duo were not only born in Zambia, but were domiciled in Zambia since birth and the villages where they hail were known. In a controversial trial challenging their deportation, the court influenced by political considerations ruled that Chinula and Banda were not Zambian citizens. The Malawi authorities also denied that the duo were their citizens. Even former president Kaunda was declared 'stateless' by the Ndola High Court, after a former cabinet minister initiated an action to have him declared a non-citizen.

Perhaps, the most visible mechanism by which government has restricted the citizenship rights of inhabitants has been through constitutional amendments. Restrictive clauses have often been used to prevent citizens of foreign descent from contesting the presidency. In the case of Zambia, this was done through the Constitutional Amendment Act of 1996, which introduced a new criterion for qualification for election to the presidency of Zambia. This was that both parents of a presidential candidate must have been born in Zambia.<sup>12</sup> Considering that Zambia only came into existence as a political community in 1964, and at independence all inhabitants of the territory were qualified to be Zambian citizens, the clause had the effect of targeting for exclusion, a potential political opponent, former president Kenneth Kaunda. The amendment was condemned for being discriminatory both locally and abroad.<sup>13</sup>

Paradoxically, former president Frederick Chiluba's qualification to contest the presidency under the 1996 constitution was contested in the courts and it was found that the nationality of his parents may have been foreign. Petitioners led by Akashambatwa Mbikusita-Lewanika argued that Chiluba was not qualified to be elected as president as he did not satisfy Article 34 (a) (b) and (e) of the Constitution of Zambia, 1996. It was held that Chiluba's parents had been and still remained a subject of controversy and public contradictory records, public concern and had never been ascertained.<sup>14</sup> In its landmark ruling, the Supreme Court argued that Chiluba was a citizen of Northern Rhodesia and was clearly a British protected person at the time of independence, so was his alleged father Chabala Kafupi. The point to note here is that every British protected person whether born in or outside the former protectorate of Northern Rhodesia was entitled to Zambian citizenship on 24 October 1964.<sup>15</sup> Hence, the parentage qualification introduced in the constitution as amended in 1996 contradicted the spirit of the 1964 Independence Constitution and was at variance with the bill of rights which provided for non-discriminatory provisions.

The implication of the amendment was that citizens did not enjoy equal treatment and rights. Citizens of foreign descent are disadvantaged. But in the application of the law, it was clear that the amendment was a political strategy of exclusion, as Chiluba was not sure of winning the election should Kaunda contest. Against the background of mass unemployment occasioned by company closures, liquidations, privatisation and retrenchment, together with the high food prices and unaffordable and inaccessible social services, the prospect of contesting against Kaunda who had scored a number of achievements in his long tenure worried the MMD government. This seems to have motivated them to adopt a desperate

measure that would bar Kaunda from participating in the election,<sup>16</sup> hence the jubilation and **relief** when the MMD dominated Parliament passed the amendment into law.

The decision to amend the constitution to prevent certain individuals from enjoying full citizenship rights affected the democratic credentials of Chiluba and the Zambian state. While the MMD was elected to office on a platform of promoting good governance through greater transparency, political accountability and respect for the rule of law, the Chiluba administration's discriminatory policies were inconsistent with democracy.

What has been the Mwanawasa's government attitude to the enjoyment of fundamental rights of the individual in general and citizenship in particular? In the area of preservation of the enjoyment of civil, political and social rights by citizens, the Mwanawasa government has not been different from the previous Chiluba administration. The government has continued to be intolerant to political dissent and the right of individuals to assemble and demonstrate in furtherance of particular causes, especially causes opposed to the state. In January 2002, a procession of women demonstrators protesting against police inaction in dealing with persons who stripped women and young girls naked for wearing short skirts and tight trousers, were brutally crushed by armed police. Political leaders opposed to the 2001 election results who had threatened to organise civil disobedience campaigns were threatened by President Mwanawasa with prosecution for treason which carried a death sentence.

However, Mwanawasa adopted a different attitude to the question of citizenship. In May 2002, he ordered that William Banda, one of the Zambians deported to Malawi on allegations that he was a national of that country could return to Zambia. It will be recalled that Banda's case reached the Supreme Court, where it upheld the decision of the High Court that he was indeed a Malawian national. Following the case of Banda, other deported individuals such as Majid Ticklay have been informed of their right to return to Zambia.

While the decision to overrule a Supreme Court ruling may be debatable, Mwanawasa has demonstrated a willingness to address the question of violation of individual rights. It could be argued that he may have discovered that the grounds for the deportation of Chinula, Banda and Ticklay were motivated by political exigencies and not based on law. While these achievements are laudable, there is more that will need to be done to address the question of citizenship in Zambia.

## **Conclusion**

The chapter examined the conceptual and theoretical underpinnings of the concept of citizenship. It has been argued that the idea of citizenship is rooted in political equality and equal treatment, which are important aspects of democracy. Thus, the adoption of discriminatory citizenship laws goes against democratic principles and is itself undemocratic.

This chapter has discussed the evolution of the problem of citizenship in Zambia by tracing its colonial antecedents. It has been shown that post-colonial Zambia, like other African countries inherited a legal structure that was influenced by the bifurcated state as Mamdani has observed. The discrimination that Africans suffered during colonialism was reversed and directed at immigrants and individuals of foreign descent.

The immediate post-independence government of Zambia was tolerant to citizens of foreign descent. It even accommodated them by granting them rights to participate in elective office, including that of president. The Chiluba government elected on a platform of transparency, accountability and rule of law pursued politics of exclusion. It withdrew citizenship status from political opponents and amended the constitution to allow only individuals whose parents were born in Zambia to qualify to contest the presidency.

The unequal treatment of citizens of minority groups remained a matter of concern in both the Kaunda and Chiluba governments. There is still a widely held conception that there are

two types of citizenship rights. Full civil, political and social rights are exclusive to only those members of the political community who are first generation Zambians. These are citizens by birth or descent. Partial rights are accorded to naturalised citizens and those of parents of foreign ancestry.

It is recommended that a thorough review of the criteria for citizenship and qualification for contesting elective political office will need to be considered. Second, the vexing problem of immigrants and refugees or displaced persons who are denied political, civil and social rights will need to be addressed. In advanced democracies, immigrants who come to work and refugees have the right to vote and may engage in civic activities.

An endeavour should be made by the Mwanawasa government to remove discriminatory provisions in the constitution to ensure that all citizens enjoy equal treatment and have equal access and opportunities to exercise their rights. Non-governmental organisations, like the Forum for Democratic Process (FODEP), Women for Change and the Oasis Forum have already undertaken a nation-wide campaign for constitutional reforms.

Poor handling of the citizenship question has great potential for ethnic conflicts and even civil war. The right of citizenship should be an entrenched provision, which should not be violated at will by a government purely in pursuit of power and privilege.

#### **GPF'PQVGU'**

- 1 While the concept of a 'New Deal' was first coined by the wartime American President Franklin Roosevelt, the new Zambian President, Levy Mwanawasa has used it to distinguish his Administration from that of former president Frederick Chiluba. Among other things, the New Deal aims at what Mwanawasa refers to as 'continuity with change'. That is to say, while there has been continuity in the ailing party being re-elected, his government has declared zero-tolerance to corruption and respect for the rule of law.
- 2 Mamdani, M., 'Democratic Theory and Democratic Struggles', *in Democratisation Processes in Africa: Problems and Prospects* edited by Eshetu Chole and Jibrin Ibrahim. Dakar: Codesria, 1995 and also, Adejumobi, S., 'Citizenship, Rights, and the Problem of Internal Conflicts and Civil Wars in Africa', *African Journal of Political Science*, Vol. 6, No. 2, December 2001.
- 3 Howard, R., 'Legitimacy and Class Rule in Africa', *Third World Quarterly*, Vol. 6, No. 2, April 1985.
- 4 For a discussion on democratic theory see Pateman. 1971; Dahl, *Polyarchy: Participation and Opposition*, New York: Yale University Press, 1971 and Rustow, 1970; Mamdani. M., 'Democratic Theory and Democratic Struggles', *in Democratisation Processes in Africa: Problems and Prospects* edited by Eshetu Chole and Jibrin Ibrahim. Dakar: Codesria. 1995.
- 5 Emerson, R., 'The Problem of Identity, Selfhood and Image in New Nations: The Situation in Africa', *Comparative Politics*, Vol.1, No. 3, April 1969: 300.
- 6 Mamdani, M., 'Democratic Theory and Democratic Struggles', *in Democratisation Processes in Africa: Problems and Prospects* edited by Eshetu Chole and Jibrin Ibrahim. Dakar: Codesria, 1995: 373.
- 7 Mamdani, M., 'Democratic Theory and Democratic Struggles'. *in Democratisation Processes in Africa: Problems and Prospects* edited by Eshetu Chole and Jibrin Ibrahim, Dakar: Codesria, 1995.
- 8 The white cabinet ministers in the first Chiluba cabinet were Simon Zukas, Guy Scott and Stan Christafor.

- <sup>9</sup> This was Suresh Desai who was later to be dismissed by Chiluba for being against Chiluba's third term bid.
- <sup>10</sup> This was Stan Christafor who served as Minister of Information and Broadcasting Services.
- <sup>11</sup> This was the late Remmy Mushota who previously held the position of Legal Affairs Minister. He lost his parliamentary seat following the findings of a Ministerial and Parliamentary Code of Conduct Tribunal.
- <sup>12</sup> Article 34 (3) of the Constitution of Zambia, 1996.
- <sup>13</sup> Some donor countries, including the United States suspended financial support to Zambia, while substantial resources from international financial institutions were withheld on account of the government's failure to meet agreed governance benchmarks.
- <sup>14</sup> Matibini, P, 'The Constitutional Framework and Legal Issues Relating to Elections in Zambia'. Paper to the Foundation for Democratic Process (FODEP) Conference on Electoral Reform in Zambia, Lusaka, 25 - 26 July 2002, p. 5.
- <sup>15</sup> Section 3 of the Constitution of Zambia, 1994.
- <sup>16</sup> Simutanyi, N., 'The Politics of Structural Adjustment in Zambia', *Third World Quarterly*, Vol. 17, No. 4, 1996.

# Rolling Stones: A Crisis for Democracy

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## Introduction

Part of the title 'rolling stones' is borrowed from the well-known cliché that states that 'a rolling stone gathers no moss'. This is because there are politicians in Zambia who were in the United National Independence Party (UNIP) and moved to the Movement for Multi-party Democracy (MMD). Later they moved to other political parties such as to the National Party (NP) and then to the United Party for National Development (UPND) and are back in the MMD. Some of these people were cabinet ministers and Members of the Central Committee (MCC) of UNIP before 1991.

The aim here is to examine the implications for democracy in Zambia of resignations, and expulsions of members from political parties. We will consider the defections, resignations and expulsions from parties of people who might be considered major players in Zambia's political dispensation, the so-called 'political heavyweights', who are almost all members of the middle class. We will cover the period 1991 to 2002 although we take note of the fact that in Zambia this phenomenon has existed since the 1950s. We argue that the reasons for defections and resignations have not changed much since the 1950s. These are the search for economic benefits, the quest for political power and the personality of the leader.

## Democracy in Africa

In spite of the differences among African states, they had, at independence, several things in common. For example, these newly independent states had an unsettled political culture. They had political leaders with no experience in running governments. In addition, institutions such as political parties, parliaments, and the civil service through which they had to work were also relatively new and weak.<sup>1</sup>

Much happened in Africa after independence. In the 1960s, there was a move away from pluralism to the centralisation of power in the hands of a single party in most African states. By the early 1970s, few countries retained multi-party systems. Power was not only centralised in a single party but was also personalised in the hands of the party leader, who became State President. This phenomenon referred to as 'presidentialism' by some scholars had a number of disadvantages.<sup>2</sup>

This 'presidentialism' made the position of president of an African country very enviable since its holder was the sole proprietor, distributor and regulator of all powers of state. He was practically unaccountable to the nation and completely uncontrollable. This made the fight for the office of President a vicious one.<sup>3</sup>

During the 1980s, especially in the latter part of the decade and early 1990s, important changes took place. Popular demand for an end to one-party rule and the institution of competitive multi-party politics became widespread. The demand promised to reverse socialist strategies of development and one-party rule. The demands tended to be closely linked to processes of change. Economic crisis and social problems caused by rising unemployment reinforced the demand for political change and led to the rejection of socialism in favour of elements of a capitalist system. The feeling was widespread by the late 1980s that economic revival was dependent on getting rid of authoritarian one-party regimes and replace such



regimes with multi-party system of government, which was seen as the only way to halt Africa's downward economic spiral.<sup>4</sup>

The events in Benin leading to the removal of the regime of Mathieu Kerekou in March 1991 had the greatest impact on contemporary African politics. Incumbent presidents in Francophone Africa such as Paul Biya in Cameroon, Dennis Sassou-Nguesso in the Congo, Gnassingbe Eyadema in Togo, Mobutu Sese Seko in Zaire (now the Democratic Republic of Congo), and Didier Ratsiraka in Madagascar, made political concessions in the hope of saving their regimes.<sup>5</sup>

Though the device of national conferences was not used in the way it was in Francophone Africa, opposition groups elsewhere in Africa, including those in Zambia also made strong demands for democratic political change.

### **The Re-introduction of Multi-Party Politics and Political Fragmentation in Zambia**

On 17 December 1990, Article 4 of the Constitution of Zambia was repealed to allow for the formation of other political parties.<sup>6</sup> The repeal of Article 4 re-introduced multi-party politics and opened the way for any number of political parties to be formed. This marked the birth of the Third Republic. There were a number of parties that were formed. One source has put it at seventeen, while Chiluba has put the number of parties that applied for registration, including UNIP and MMD at twelve. Of the new parties formed, only the MMD had a large following. Many of them were registered in Lusaka and on the Copper belt.<sup>7</sup> After the 1991 elections, many more political parties were formed and by 1993 more than thirty-five political parties had been formed in Zambia. This made the opposition parties fail to form one strong party to oppose the MMD.<sup>8</sup>

Zambia was not the only African country in which several political parties were formed when multi-party democracy re-emerged from 1990. In the elections for the legislature in February 1991, and for the presidency in March 1991 in Benin, a total of twenty-four political parties contested parliamentary seats and thirteen candidates vied for the presidency.<sup>9</sup> However, Zambia provides a good case of a contrast between unity and disunity in opposition forces. The MMD was born as an umbrella organisation of interest groups whose principal demand was, as its name suggested, the restoration of competitive politics.<sup>10</sup> It was built partly on the organisational foundations of former parties like the ANC in the South, the United Party (UP) in the West, and the UPP in the North.<sup>11</sup> In spite of this, the MMD managed to stay united and marshal enough popular support to force the country's founding father, Kaunda to move directly to elections.<sup>12</sup>

When the MMD came to power, it was predicted that its fragile unity would be put to a severe test. This was because there had emerged within it, power factions as was demonstrated by the internal feuding over the choice of cabinet ministers. There were five principal factions that emerged. The first was called the 'G7' group, whose key figures were Minister of Defence, Benjamin Mwila and Minister of Foreign Affairs, Vernon Mwaanga. The second faction was called the 'Unionists' and was led by the Minister of Home Affairs, Newstead Zimba. The third faction was called the 'Young Turks' and included Minister of Higher Education, Akashambatwa Mbikusita-Lewanika. The fourth faction was that of the 'Veterans' and included Minister of Finance, Emmanuel Kasonde. The fifth faction was that of the 'Party men' represented by Minister Without Portfolio, Godfrey Miyanda.<sup>13</sup> All these groups exerted influence on Chiluba in various ways that threatened the MMD's unity.<sup>14</sup>

It was further predicted that all these factions in the MMD would be fighting for the control of the presidency and the Government.<sup>15</sup> It was on this note that the MMD set about trying to run a democratic system in Zambia. The result, as will be shown later, has been numerous breakaway groups that have formed political parties.

### **The Resignation and Expulsion Syndrome in Zambian Politics**

The Africans in colonial Zambia had achieved remarkable unity during the struggle for independence. However, as soon as independence was achieved, the need for unity seemed to disappear, sectionalism appeared in Zambian politics.<sup>16</sup> Robert Molteno, William Tordoff and John Mwanakatwe chose to use the word 'sectionalism' rather than 'tribalism' to refer to the conflict between ethnic groups in Zambia. This is because the word 'tribalism' was found to be vague or misleading.<sup>17</sup> Molteno has shown that the problem of sectionalism was acute.<sup>18</sup> In refusing to use the word 'tribalism', Tordoff argued that in the Zambian context, the competition was between regional-linguistic groups, each of which comprises many distinct tribes. The conflict was over jobs and access to economic resources, but was expressed in ethnic terms. Molteno has argued, 'sectional groups are essentially interest groups competing for scarce resources.' These groups may use what may appear to be ethnicity to fight over economic resources.

When the leadership of UNIP was operating within a multi-party system, it was exceptionally concerned about defections to the opposition from among local level politicians, particularly after the collapse of UNIP's support and the growth of the United Party in Western province in 1967-68. In order to avert defections, UNIP operated an extensive patronage system to pay for local level support. This included loans, licences for business and employment opportunities.<sup>19</sup>

From 1967-1971, UNIP was adversely affected by factional competition among its leaders. The struggle ended in August 1971, with the formation of the United Progressive Party (UPP) led by Kaunda's closest friend Simon Mwansa Kapwepwe. With the formation of the UPP UNIP experienced its most serious internal strife. The formation of the UPP is said to have inadvertently paved the way for the legal establishment of a one-party state,<sup>20</sup> which was ushered in as the Second Republic on 13 December 1973.<sup>21</sup>

The issue of defections, resignations and expulsions of members from political parties is about political behaviour. Some scholars have debated the issue of what determines political behaviour, by trying to find out whether it is class, religion, ethnicity or economic factors that determine it.<sup>22</sup> Many non-Marxists downgrade the class factor and in this regard, Ali Mazrui has argued that Marxists are wrong to assume that people of different ethnic and cultural backgrounds have, to a high degree, already been integrated into the nation-state. For him, 'communalism' is the main determinant of political behaviour and the main obstacle to the achievement of national integration. At the other extreme, some Marxists have expressed the view that it is above all, class, which determines political behaviour and that ethnicity is merely inappropriate shorthand for social deprivation, which should be understood in class terms.<sup>23</sup>

It has been argued that class has not yet become the sole, or even primary, determinant of political behaviour in Zambia. It has further been argued that it is doubtful whether there is a class dimension to the inter-party conflict in Zambia. Rather, the 1991 elections revealed a struggle for power between an incumbent and an aspirant middle class leadership with each side vying for popular support. In general, class identifications have not yet emerged sufficiently to structure political conflict in most countries of sub-Saharan Africa.<sup>24</sup>

When the people who defect, resign or are expelled from political parties in Zambia are closely examined, the argument that it is the middle class people fighting among themselves for scarce economic resources involved seems to be more plausible. What usually happens when there is a defection, is that there will be a leader, usually a member of the middle class, who will declare he has left a particular party and is taking with him his supporters (usually members of the 'lower' class, to the party to which he has chosen to defect to. Even the way the media in Zambia, especially the print media, covers the defections, resignations or expulsions

reflects middle class interest. The people who are shown defecting or resigning or being expelled from a party, will be those who have positions in society. These are the ones who can buy packets of the opaque 'Shake Shake' beer to persuade some people to 'stage' a defection with them. If a common villager or 'shanty' township resident announced a defection, he or she would not attract much attention.

Between 1991 and 1995, there were several defections, resignations and expulsions of members from political parties. These led to the formation of a number of new political parties. In October 1991, over 16 000 members of UNIP in Kasama, Chilubi and Mporokoso districts defected to the MMD.<sup>25</sup> Soon after the October 1991 presidential and parliamentary elections, UNIP members in Kitwe defected to the MMD. In May 1992, Enoch Kavindele who had challenged Kaunda in 1990 defected from the party and formed his own party, the United Democratic Party (UDP).<sup>26</sup> In June 1992, Mulondwe Muzungu, former Mines minister under Kaunda, who was North-Western province chairman, defected from UNIP to the UDP. In September 1992, two former members of the UNIP Central Committee, Peter Matoka and Fines Bulawayo, and a former Provincial Political Secretary, Winston Kamwan'ga, defected from UNIP to the MMD.<sup>27</sup>

The former ruling party was not the only party affected by these defections and expulsions. In 1991, soon after the MMD was formed, a group defected to form the National Democratic Alliance (NADA) to prevent Zambia from remaining a one-party state since the MMD was proving to be very popular. 1992 also saw the resignation of two cabinet ministers, citing rampant corruption.<sup>28</sup>

In 1993, the MMD seemed to be plunged into a crisis when some 'political heavyweights' resigned to form the National Party (NP). The resignations were caused by disillusionment with President Chiluba's leadership because he was perceived to have failed to provide the kind of leadership that could deal with corruption and illegal drug dealing. Chiluba was also strongly criticised for failing to promote a new democratic culture and to manage the economy properly.<sup>29</sup> In 1994, Chitala and Dean Mung'omba were expelled from the MMD and formed the Zambia Democratic Congress (ZDC).<sup>30</sup> The ZDC took part in the 1996 elections that were boycotted by UNIP and lost.<sup>31</sup> In 1995, the MMD was shocked when Mwanawasa resigned as Vice President.<sup>32</sup> During the same period there were a number of expulsions mostly involving the ruling MMD and UNIP.

Between 1996 and 2001, the state of Zambia's democracy did not change much because of the 1996 constitutional change that made UNIP boycott elections. A number of people in this period defected from the MMD to form their own political parties through which they hoped to unseat the MMD. Rodger Chongwe, a former Cabinet Minister in Chiluba's government, defected from the MMD and formed the Liberal Progressive Front (LPF) in January 1996.<sup>33</sup> Anderson Mazoka also defected from the MMD and formed the United Party for National Development (UPND) in 1998. There were also expulsions during this period mostly from the ruling party. The most significant was that which followed Chiluba's bid for a third term. Chiluba's bid to contest the presidency a third term only failed after his cabinet had become so divided that most of the ministers, including the Republican Vice-President, Lieutenant General Christon Tembo, publicly organised rallies to denounce attempts to amend the constitution to allow Chiluba to re-contest elections for a third term.<sup>34</sup> The twenty-two MPs opposing Chiluba's third term bid were expelled from the MMD. They formed the Forum for Democracy and Development (FDD). Also arising from the fall-out in the MMD over the third term bid, was formation of the Patriotic Front.<sup>35</sup>

After the 2001 elections that Mwanawasa narrowly won, there followed a flurry of defections to the MMD. As has already been mentioned, Love Mtesa defected from the UPND to the MMD. The losing UPND candidate for Serenje Central Patrick Mukosha resigned from the

party and defected to the MMD. Mwalimu Simfukwe, whom the *Times of Zambia* called a 'FDD stalwart' quit the party and defected to the MMD. The FDD chairman for sport, Austin Chewes also resigned from the party and defected to the MMD. The FDD Monze central constituency official David Sikalundu resigned from the party and defected to the MMD. The losing UNIP Kanyama constituency parliamentary candidate Sarandos Zaloumis resigned from the party and defected to the MMD because 'UNIP had no vision and good policies to enhance development in the country'. In January 2002, UPND chairman for youths, Godfrey Beene, resigned from the party and defected to the MMD. He claimed his resignation was meant to 'help bridge the gap created by the regional and ethnic politics witnessed in 2001 as evidenced by the pattern of voting. In March 2002, the entire Zambia Republican Party (ZRP) Mufulira executive resigned and defected to the MMD. Also in March 2002, eight members of the FDD in Northern province, including the provincial vice chairman, George Kangwa, defected to the MMD, while in Chinsali, Wisdom Bowa, a senior FDD official defected to the MMD citing lack of leadership in FDD.<sup>36</sup> On 26 July 2002, the Agenda for Zambia Party of Akashambatwa Mbikusita-Lewanika and the Labour Party of Chibeza Mfuni dissolved themselves and the two leaders defected to the MMD but chose to call it a 'merging' with the MMD. On 26 May 2003, Pastor Nevers Mumba resigned from the National Citizens Coalition (NCC) and defected to the MMD 'in order to strengthen the fight against corruption'. The next day, the NCC dissolved itself and the whole party defected to the MMD. On 28 May 2003, Mumba was appointed Republican Vice-president to replace Enoch Kavindele who had been dropped.

### **Impact of Defections and Expulsions on Democracy in Zambia**

An interesting aspect of the defections is the way the parties losing members and those receiving the defectors react to their loss and gain. Most of the time, the parties losing members express sadness at losing members. Sometimes, however, these parties console themselves by saying the departure of the defectors is good riddance. However, it is the attitude of the parties receiving the defectors that raises serious concern as far as democracy and good governance is concerned. The parties receiving defectors express such joy that they even wish the parties losing members could even become *extinct*. For example, when receiving Ken Ngondo from UNIP, FDD's Vice President Edith Nawakwi described those still 'hanging around' in UNIP and MMD as lice. This angered UNIP so much that Nawakwi was forced to apologise publicly.<sup>37</sup>

In 1993, Chitala said 'good riddance' about the MPs and members of the MMD who defected to the National Party. One might argue that the politicians in various political parties actually welcome defections of members from their parties as a way of getting rid of 'bad eggs'. Dissident members are warned to resign on their own or face expulsions. Sometimes political parties welcome defections of members of other parties to their parties by obtaining some better quality members and thereby weakening the other parties. This kind of welcome becomes clear when MMD members are seen celebrating defectors on the Zambia National Broadcasting Corporation (ZNBC) television main news. Humphrey Himwaaba, writing in the *Saturday Post* on 'democracy' perhaps had this in mind when he questioned Mwanawasa's brand of democracy. He accused Mwanawasa and his MMD of having induced opposition MPs Sipula Kabanje (UPND), Gladys Nyirongo (Heritage Party) and Patrick Musonda (Heritage Party) to vote with the MMD and not the opposition when voting for the Speaker of the National Assembly. When these MPs were expelled from their parties, Mwanawasa and the MMD adopted them as MMD candidates. They won the by-elections and became MMD MPs. Then Mwanawasa offered the opposition an olive branch. Flimwaaba wondered if a man who seemed hell bent to destroy the opposition could be genuine with his olive branch.<sup>38</sup>

One of the most serious cases of defections from political parties could be said to have been 'sponsored' by the 'New Deal' MMD administration. This was when Mwanawasa chose to appoint to ministerial positions some selected opposition Members of Parliament on a take it or leave it basis without consulting the opposition parties from which those MPs came from. The move immediately raised suspicions from the opposition political parties who saw it as a blatant attempt to kill the opposition and establish a one-party state. Importantly, however, the appointments led to serious divisions in the opposition political parties, particularly in the FDD, UPND, and ZRP. Only UNIP seemed to have had no problems with having its MPs serving in the MMD government.

The FDD expelled the three MPs Dipak Patel, Kabaghe and Samukonga who accepted the ministerial positions. They were considered to have defected to the MMD. While the three admitted that they were wrong to accept the positions, they still went to court to stop their party from expelling them. They remained members of the party on the technicality that the party should hold a national convention at which the decision to expel the members should be taken.<sup>39</sup> The FDD held its convention at the end of April 2005 and early May 2005. The expulsions of the party's MPs, now including Patricia Nawa, who had accepted the post of Deputy Defence minister, were confirmed and upheld. Kabaghe was excused after Mwanawasa dropped him as Deputy minister and he apologised to the party convention.<sup>40</sup>

The UPND expelled Kennedy Shepande who had been its MP for Nangoma Constituency in Mumbwa. He subsequently defected to the MMD, claiming opposition MPs could not deliver development to their constituencies. The only time an MP could deliver development to his/her constituency, he claimed, was when he/she belonged to the ruling MMD. The MMD adopted Shepande as its candidate in the same Nangoma Constituency and he won back the seat in a by-election. In the eyes of people such as the President of the Federation of Free Trade Unions in Zambia (FFTUZ), Joyce Nonde, Shepande's move was obviously due to his greed. She said that in a country in which workers were lowly paid and suffering, an MP could deliberately cause an expensive by-election. *The Post* agreed with Nonde. It argued that it was extremely dangerous to have men who thought like Shepande in Zambia's politics, let alone in Zambia's government.

The ZRP was also thrown into confusion over the appointment of Sylvia Masebo. ZRP Member of Parliament for Chongwe as Minister of Local Government and Housing. Three members of the party went to court to ask that Masebo be expelled because she was also considered to have defected to the MMD. Masebo resisted leaving ZRP and caused a big split in the party between supporters of the founding president Ben Mwila and her supporters. Mwila was in turn expelled from the party he founded. The matter went to court as Mwila contested the expulsion. Meanwhile, Masebo praised Mwanawasa for making difficult decisions such as appointing people like her from the opposition into his government leaving people who voted for him and were members of the MMD. She saw Mwanawasa's move as nation building and not divisive. She added that she did not, therefore, understand why he was being subjected to such criticism for it. One such criticism came from a 'Concerned

Citizen of Lusaka, who in a letter entitled 'politicians are disappointing us', accused her of

being dishonest and only being in ZRP because she was an MR a position she was using to be a cabinet minister in the MMD government. The 'Concerned Citizen' therefore advised her that the moral thing for her to do would be to resign from ZRP and seek re-election on an MMD ticket.<sup>41</sup>

The expulsion of erring MPs from opposition parties, however, only gives advantage to the MMD that has a better capacity to win by-elections. But Banda's point, was that Mwanawasa's appointments of opposition MPs into the MMD government was undemocratic, aimed at weakening the opposition and an attempt to re-create the one-party state. In this

regard, the opposition parties would be better off without the MPs who wanted jobs from Mwanawasa. The opposition accused him of being arrogant, undemocratic, dictatorial and unconstitutional since he offered the positions to the opposition MPs on a take-it-or-leave-it basis without consulting the opposition political parties whose members he wanted.<sup>42</sup> Heritage Party President Godfrey Miyanda tried to block Mwanawasa from appointing opposition MPs into his government by arguing that it was undemocratic and illegal. High Court judge Anthony Nyangulu granted him an injunction to block Mwanawasa.<sup>43</sup> Mwanawasa argued that the judiciary could not make an order against the president. He rebuked judge Nyangulu and told the Chief Justice to ensure that no judge brought the executive and the judiciary into conflict. He then went ahead and appointed eight opposition MPs to his government, two of them as cabinet ministers. The two were FDD MP for Lusaka Central Dipak Patel, who became Commerce Minister and ZRP MP for Chongwe, Sylvia Masebo, who became Local Government Minister. The rest became deputy ministers.<sup>44</sup> Judge Nyangulu apologised to Mwanawasa and dismissed the injunction he had granted Miyanda. Not surprisingly, the Law Association of Zambia (LAZ) protested against judge Nyangulu saying he had set a dangerous precedent. *The Post* in its editorial called on judge Nyangulu to resign.<sup>45</sup>

Mwanawasa made a strong defence against accusations over his appointment of opposition MPs to his government. He said people were free to seek 'his jobs' and argued that 'no political party would succeed in blocking their MPs from accepting ministerial positions'. It is clear from Mwanawasa's remarks here that he practised patronage the same way Kaunda and Chiluba before him had done. It is also clear that he was aware that people would always want 'his jobs' for monetary gain, they would want to be cabinet or deputy ministers. Although he denied allegations that he was killing democracy by appointing opposition MPs to ministerial positions, there was no way he could strengthen democracy if he took away the best members from the opposition parties.

### **Egpenwukp"**

This chapter has attempted to discuss the implications of the defections, resignations and expulsions of members from political parties for democracy in Zambia. We have tried to show that defections, resignations and expulsions from political parties are not a new phenomenon in Zambian politics. They have been a feature of Zambian politics from the 1950s, when the first defections occurred from the ANC led by Harry Nkumbula by people who formed ZANC, which was later replaced by UNIP. In 1967-68 Nalumino Mundia was expelled from UNIP and he formed the United Party. In 1971, a large group defected from UNIP led by Simon Kapwepwe to form the UPP. Those early defections, resignations or expulsions were based on reasons that were not very different from those prevailing today. The reasons for defections have been economic, quest for political power and the personality of leaders of political parties, and rarely because of principles. Sometimes ethnic considerations play a part depending on the ethnic origins of the leader.

The reasons for defections, resignations and expulsions have remained constant over the years. What does change is what is emphasised at a particular time in history. In this regard, when the people who defected from ANC did so in 1958, it was because they had concluded that the ANC under Nkumbula was not the vehicle that would lead them into power and economic prosperity. In 1971, when Kapwepwe and his supporters defected from UNIP it was because it was felt that under UNIP, their ethnic group was not benefiting economically as it should. In today's defections, it might be interesting to look at who is defecting and why they are defecting in terms of how they are doing financially at the time of defection. This would explain why the majority of the people defecting are moving to the ruling MMD.

In African politics, nothing is definite. Politicians seem to stand on shifting sands. As a result they could belong to a ruling party today and tomorrow go over to the opposition and vice versa. This is why in Zambia a person can contest elections on an opposition party ticket against the MMD, and upon losing the elections the person will resign from the opposition party and denounce it and defect to the MMD (the ruling party), which he had been opposing only a few days before.

We have tried to show in this chapter that political behaviour in Zambia is rooted in Zambia's colonial and post-colonial history. In this regard, colonial rule in Zambia, as elsewhere in Africa, did not help to develop a good political culture. In fact, nationalist leaders learned the tactics to use to oppress opponents from the colonial rulers. Although the colonial systems were undemocratic, the African leaders upon attaining independence inherited the colonial government structures almost unchanged. The departing colonialists in 1964 left Zambia with a democratic system that lasted only for eight years thereafter Zambia became a one-party state. Democracy or a multi-party system was re-established in 1991. Our main argument in this paper, however, is that Zambia has so far failed to develop a clear democratic political culture. This would be defined as a culture in which opposition parties are recognised as being essential to the political system. This is a culture in which election results are respected and losing an election is not considered a disgrace and therefore a very good reason for defecting from a party on whose ticket one lost an election.

Although Zambia was one of the first African countries to democratise in the 1990s and to have peaceful democratic elections and a peaceful change of government, there is a feeling that Zambia's democracy is not working well. One of the reasons why Zambia's democracy may not be working well is that the dwindling economic resources have meant that the fight for political power that gives those with the power an advantage over the control and distribution of the resources has become very vicious. This has led to very high levels of intolerance in political parties. It has also meant that those who have ambitions of one day being the controllers of the resources form their own parties once they leave or are forced to leave a party. One could explain the formation of UPND, ZRP, FDD, and PF in this way.

There is need to develop institutions that will ensure that democracy is not being undermined. A system should be put in place that will ensure that members of the opposition do not feel disadvantaged economically for belonging to opposition parties. Furthermore, unless there is socio-economic development and an equal distribution of resources, defections, resignations and expulsions will continue and democracy will continue to be threatened. It is not ideology that will keep political party membership but equality in sharing economic resources. Since the defections are mainly from the opposition to the ruling party for reasons that include lack of vision in opposition party leaderships, the implication of such defections for Zambia's democracy is that opposition parties cannot develop into ruling parties. This kind of perception undermines democracy in the country in that once a party comes to power it will ensure that it stays in power, forever, claiming no other party can rule.

## **GPF'PQVGU'**

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- <sup>21</sup> Mwanakatwe. *End of Kaunda Era*. pp. 84-112. (Include other sources).
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- <sup>23</sup> Tordoff, *Government and Politics in Africa*, p. 108.
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# **Enhancing Local Government: Lessons from Bilateral Cooperation**

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## **Introduction**

Decentralising government administration to the local level, as a strategy for promoting social, political and economic development, is a must rather than an option. There is an overwhelming amount of literature on the need to institute and sustain an efficient and effective local government system from administrative practitioners, academicians and other proponents of local governance.

Decentralising government activities to the local level has potential to promote democratic governance in a country. A decentralised government brings decisions closer to the people most affected by such decisions; promotes participation of ordinary people in decision-making at the local level; transfers power to the people and institutions at the periphery who otherwise would not have much influence on decision-making at national or local levels; and promotes equity by altering imbalances in national development especially in most developing countries, which are characterised by uneven levels of development.<sup>1</sup>

Zambia is committed to good governance. In the preface to the Governance document, former Republican President Dr F.J.T. Chiluba noted that the government will strive for and guarantee the Zambian people constitutional legitimacy, accountability, transparent decision making procedures, participatory development, democracy, respect for human rights and adherence to the rule of law.<sup>2</sup> The above tenets of good governance cannot be achieved without an efficient and effective local government system. Zambia, since attaining independence from British rule in October 1964, has taken various measures aimed at decentralising government. This paper, however, argues that the local government reforms adopted since independence have failed to bring about a local government system capable of delivering services. In spite of the various reforms, the local government system in Zambia has continued to face many constraints that have seriously undermined its ability to serve the communities. The major constraints include the lack of financial resources and capital equipment, inadequate administrative facilities, poor working relations between councilors and administrative staff, and undemocratic attitudes towards work. Many stakeholders including central government have acknowledged this state of affairs. Many cooperating partners have initiated and in cooperation with the host government implemented pilot programmes with a view to redress the situation. Using mainly the results of one such programme, the Cooperation for District Development (CDD), and a brief outline of what two other similar programmes are doing, the paper has shown that the local government system in the country is not beyond 'repair'.

## **Local Government Reforms in Brief**

The development of local government administration in independent Zambia can be divided into three phases; the first covering the period from 1965 to 1980; the second covering the period 1981 to late 1991; and the third covering the period, end of 1991 to date.

Zambia gained its independence from British rule in October 1964. The local government system that operated in Zambia between 1965 and 1980 was based on the Local Government Act of 1965 that came into operation on 1 November of that year. This system of local government was basically adapted from the former colonial master Britain and was perceived to be suitable to a multiparty system of government, which Zambia embraced at independence. It should be noted that before Zambia got independent, the provision of services, by local authorities, was somewhat biased in favour of areas that were occupied by mainly whites and in some cases the well to do indigenous people. Consequently the enactment of the 1965 Act was seen as a measure that would, among other things, ensure the equitable distribution of services by the local authorities.

The 1965 Act provided for three types of local authorities: two urban (municipalities and townships) and one rural. The municipalities, township and rural councils were divided into wards, each of which elected a single councillor who served for three years. However, the minister responsible was empowered to appoint persons to a council provided that the number of appointed councillors did not exceed three (or if a municipality adjoined a mine township, did not exceed five). For each municipal and city council, there was a mayor and deputy mayor, and for each rural and township council, there was a chairman and a vice chairman elected annually by councillors from among themselves. Town clerks (city and municipal councils) and Council secretaries (township and rural councils) constituted the executive wing of the councils.

In January 1981, the Local Administration Act of 1980 replaced the Local Government Act of 1965. The major reasons given for the repeal of the 1965 Act was that under that Act local government proved ineffective because of lack of integration and cooperation between different levels and institutions. Officially, the 1980 Act had three principal objectives: government and the ruling party's (UNIP) desire to decentralise power to the people; to 'ensure an effective integration of the primary organs of local administration in the district'.<sup>3</sup> District party and council structures were fused as part of the integration process; and finally to enable district councils to play a more direct and substantial role in the development process.<sup>4</sup>

Each district council was composed of the district governor (chairman) appointed by the president; a district political secretary; two district trustees appointed by the ruling party's (UNIP) provincial committee and approved by the (UNIP) Central Committee; all chairmen of (UNIP) ward committees in the district; all Members of Parliament of the district; one representative from each of the (officially constituted) mass organisations operating in the district; one representative from each of the trade unions operating in the district; one representative from each of the security forces; and one chief elected by all chiefs of the district.<sup>3</sup> The Act also established a secretariat for each district council under the supervision of a district executive secretary.

Although the institutional capacity of local authorities in Zambia had been in decline for sometime, especially since the introduction of the one-party state in 1972, the imposition of inappropriate local government structures under the 1980 Act intensified this decline during the period 1981 to 1991. For instance, the merging of the local party structure with the local council opened avenues for rampant financial mismanagement and diversion of council resources to party activities.<sup>6</sup>

In 1991 the new government, under the Movement for Multiparty Democracy (MMD) enacted a new local government Act, the Local Government Act of 1991, in December 1991 to replace the 1980 Act. Notable changes brought about by the 1991 Act included the clear institutional divorce of party structures from the council, the abandonment of the integrative role of the district councils and the re-introduction of representative local government based on universal adult suffrage. The councils are composed of elected councillors, Members of

Parliament (MPs) in the district and two representatives of the chiefs in the district, appointed by all the chiefs in the district. There is a mayor and deputy mayor (city and municipal councils) and a chairman and vice chairman (district councils), elected annually by the council from among the elected councillors (Zambia 1991 a; Zambia 1992a); Heading the administration of local authorities are town clerks (city/municipal) and council secretaries (district councils). The councillors represent their constituents and are responsible for policy making and supervising the implementation of the policies. The appointed officials are responsible for rendering technical advice to the councillors as well as implementing policies.

Key actors in the local government process include the Minister, councillors, and the appointed council officials.

### **The State of Local Government in Zambia**

Many stakeholders have variously described the prevailing situation in local authorities countrywide and the bottom line really is that the local government system in the country has collapsed. Local authorities have lamentably failed to deliver the desired services to their communities due to very serious financial constraints. It is not uncommon for council employees to go without a salary for several months. Generally, local authorities have not developed a culture of being financially independent from central government funding. Many local authorities even find it extremely difficult to adhere to critical statutory and recurrent obligations such as the timely payment of salaries and wages.

Retrogressive and ill-timed policies and directives have exacerbated the difficulties being faced by local authorities in the country. The government directive to sale council houses and the policy to transfer the responsibility to provide water and sewerage services from councils to companies are but only two examples, which have narrowed the revenue base of councils. Local authorities are also overstaffed. The government is willing but not capable, from its own resources, of financing retrenchment and early retirement packages for council workers.

The existing legislation is not very supportive to a well functioning local government system. Some elements in the legislation cannot enhance the promotion of democratic governance at the local level. The power given to the Minister of Local Government and Housing (Section 88 of the 1991 Local government Act) to dissolve an entire council and appoint an administrator to perform the council functions, for example, can easily be subject to abuse. Granted that, the minister is expected to make an inquiry as provided for under section 120 (1), before making such a decision. However, according to section 120 (3) of the Act the minister is under no obligation to accept advice.

Although the Act provides for the general public to attend full council meetings, section 29 (2) of the Act provides for the exclusion of the public whenever publicity would be prejudicial to the public interest by reason of the confidential nature of the business to be transacted. A council that is predisposed to undemocratic tendencies can easily abuse this provision. The legislation also does not prescribe a 'minimum' level of publicity for the dates and venue of the council meetings. This means that such meetings may be inadequately or not even publicised at all.

Most local authorities do not have well qualified staff in key positions. It is very difficult to attract qualified manpower because of the prevailing poor conditions of service. Given the high levels of unemployment prevailing in the country, it is plausible to assume that most of the few well-qualified staff working for local councils are doing so because greener 'pastures' are not readily available. Government, through Statutory Instalment No. 115 of 1996, provides guidelines relating to the required qualifications for various senior positions in the local government service. However, because many local authorities have no capacity to adhere to

these guidelines, their recruitment process, by and large, still attracts ill-qualified personnel. A government directive, in 1992, to retire all personnel that had served for twenty-two years or more in the local government service also negatively impacted any efforts, by local authorities, aimed at retaining the few qualified and experienced personnel.

Majority of the councillors, in most local councils, have very low levels of education. It is very unlikely that persons of such calibre can initiate and pass policies tailored to enhance social and economic development in their communities. A recommendation by a commission of inquiry to raise the education level of those aspiring to become councillors to Form two or Grade nine was rejected by government.<sup>8</sup> Voter apathy coupled by the tendency of voting on partisan lines has, in many instances, resulted in the election of councillors that are merely popular among the electorate and not necessarily capable of effectively representing their wards. According to Chiteba, some mayors and council chairmen and their deputies tend to behave more like the district governors and district political secretaries of the Second Republic (1972 - 1991), when councillors were not elected from respective wards. They are inclined to impose themselves on fellow councillors and officials contrary to the new law that invests power of the councillors and officials in the whole council and not individual councillors. <sup>9</sup>This has exacerbated conflict between councillors and officials. Many councillors seem to be preoccupied with the idea of being the employers and have consequently tended to over-emphasise their authority to the dismay of many appointed officials.

Inadequate and/or lack of capital equipment and poor infrastructure constitute another contributing factor to the dismal performance of local councils in Zambia. The poor road network across the country has led to ineffective communication between the local authority and sub-district structures. The operations of local councils are also affected by corrupt activities among the staff. Various studies have clearly indicated that local councils are among the most corrupt public institutions in the country.<sup>10</sup> Corruption in local councils is prevalent in areas such as the issuance of plots, licenses, title deeds and awarding of various contracts.

Local elections, although a one-time exercise, ordinarily constitute an effective channel for community participation with regard to the choice of representatives on the Council. However, owing, among other things, to the community's loss of confidence in the ability of councils to provide services, such elections are not taken seriously and have hence tended to be overshadowed by Parliamentary elections. The 1998 local elections, for example, attracted only 26.55% of eligible voters compared to 67.81% during the 2001 tripartite elections. In other words, it is plausible to argue that, all things being equal, if local elections were held separately from the Presidential and Parliamentary elections, the 1998 scenario could have possibly been replicated in 2001.

### **The Cooperation for District Development (CDD) Project**

In its support for the consolidation of democracy, the Norwegian government collaborated with the Government of the Republic of Zambia (GRZ) to launch a pilot project called Cooperation for District Development (CDD) on 20 May 1997. The programme was designed for a period of years and was implemented between mid 1997 to mid 2000. The CDD covered three districts - Mbala, Luwingu and Kaputa - in Zambia's Northern province. The 'development objective' of the CDD was to:

to contribute towards the setting up of a framework that will raise levels of district administration and management and enhance local democracy with a view to stimulating more active participation of people in the affairs of their communities in the districts of Mbala, Luwingu and Kaputa.

The CDD programme was intended to strengthen popular participation and good governance within the local councils, as well as inform the policy debate on local government issues in Zambia. The areas of intervention were broadly presented as *Local Democracy Support* and *District Administration Support*.

Efforts targeted at local democracy support were aimed at strengthening the *participatory* democratic set-up in decision-making. In terms of District Administration Support, the CDD programme was quite inclusive in that some public service workers, traditional institutions, sectoral management boards at district as well as sub-district levels, DDCC, WDCs, ZDCs, NGOs and CBOs were involved. The management teams of the district councils in the project were the implementers of project activities under the guidance of the Norwegian District Administrators (DAs).

### **Preliminary Research Findings**

The formative research team that was attached to the CDD project carried out its maiden fieldwork, in the pilot districts, in November 1998 before the implementation of project activities was really entrenched. Generally, key stakeholders in all the pilot districts observed that the main developmental concerns of their districts were in the areas of roads, agriculture and water supply. Specifically, however, the research team made the following observations:

- (1) Councils exhibited undemocratic tendencies and were basically operating in isolation. Councillors, for example, did not consider it important to encourage members of the general public to attend full council meetings even though this was provided for in the local government legislation. The working relationship between the councillors that belonged to the ruling party (MMD) and those of the opposition and Independents was reported to be lukewarm and generally characterised by conflict and suspicion.
- (2) Local councils, mainly due to their inability to deliver adequate and high quality services to the communities, were held in low esteem by the residents.
- (3) Poor working relations between councillors and administrators.
- (4) Although generally chiefs were informed about the CDD project, their involvement in the project's activities had not been developed.
- (5) NGOs, CBOs, and residents welcomed the CDD but the potentials of these constituents to provide links between CDD and local communities had not yet been developed.
- (6) The legislation for local government was generally not very supportive. The piece of legislation that allows councils to break up into committees, with a view to avoid attendance of the general public, when discussing issues deemed to be sensitive was vulnerable to abuse by a council that is generally predisposed to undemocratic tendencies. The Minister of Local Government and Housing also has too much power that can easily be abused. The power to dissolve the entire council and appoint an administrator to run council affairs, for example, can easily be abused by an overzealous minister.
- (7) Councils were de facto one party assemblies in favour of the ruling Movement for Multiparty Democracy (MMD). This state of affairs was generally viewed by many stakeholders as not conducive to the promotion of local democracy.

### **Project Activities**

A large portion of the expenditures on programme activities was allocated to human resource capacity building through collective training (workshops) and individual skills development.

Some selected officials were sponsored to various learning institutions to pursue mainly certificate courses in various relevant fields of study. In addition, there was a revenue collection **workshop** organised in February 1998, plus some shorter workshops on items such as job descriptions, organisation culture ('esprit de cop') and others.<sup>11</sup> A series of workshops were also conducted to enlighten Councillors and council officials on their roles and the importance of adhering to democratic principles.

In Luwingu a series of meetings were conducted to sensitise chiefs and village headmen on issues related to the smooth implementation of the CDD project in general and the carrying out of various projects at the local level in particular.

In all the districts, the project assisted in rehabilitating some infrastructure such as the Council rest house in Kaputa and the council chambers in Luwingu and Mbala districts. In an effort to enhance the mobility of councillors, the project bought bicycles for all the councillors. The project also spearheaded the introduction of local News Letters known as *Luwingu Local News* (Luwingu) and *Impwelo* (Mbala). The News Letters were expected to afford communities a chance to know what was going on not only in their areas but also in the country as a whole.

The project also spearheaded the establishment of sub-district structures (development committees) as forums through which local communities can advance their views on various social, economic and political issues affecting their lives. The sub-district structures were established at the ward, zone and village levels. The respective council administrations were responsible for implementing the project activities while the Norwegian District Advisors played a very significant oversight role to ensure that as much as possible the activities were implemented as planned.

### **The Impact of the CDD Project**

The CDD, unlike most projects that aim at producing tangible results, was concerned about changing the people's attitudes with a view to inculcate democratic ideals in the local communities including the councillors and council management. One notable shortcoming of the CDD relates to the period within which the project was to be implemented. It was generally agreed by many stakeholders that a period of three years was not long enough to produce sustainable results in a project such as the CDD. Constraints such as the late starting of the project, especially in Kaputa, and the negative attitude of the host government in terms of honouring the counterpart funding also had adversely affected the smooth implementation of the project.

In spite of the various negative observations, the CDD achieved many positive results. The project made a significant contribution toward administrative capacity building through the training of some council officials. The councillors also greatly benefited from the workshops organised by the project. The knowledge of traditional rulers and other local stakeholders such as members of non-governmental organisations (NGOs) and women's groups on issues of local democracy was also enhanced through the workshops.

The research team's visit to the pilot districts in November 1999 and the impact assessment earned out in May 2001 produced a very encouraging scenario. First, traditional rulers reported<sup>a</sup> significant improvement in their relations with councillors in terms of information flow. Second, an examination of financial records for the local authorities clearly indicated an improvement in rity as well as the presentation of such documents. Third, most of the councillors were able to clearly articulate the problems being faced by their councils in relation to their role as policy ers and representatives of their constituents. There was a renewed commitment on the Part of the councillors (77.4%) and council management (83.3%) to encourage the general

public to attend full council meetings. This was a significant departure from the perception captured during the first visit in November 1998.

Fourth, local communities were now able to acknowledge that adhering to democratic principles such as transparency, accountability etc. would eventually lead to efficient and effective service delivery by the local authorities. Fifth, working relations between administrators and councillors were reported to have improved. An overwhelming majority of the councillors (81.2%) and council management (91.7%) acknowledged the existence of good working relations. Sixth, the level of information flow as regards the activities of the local authorities and other issues of national interest had significantly improved because of the News Letters (Luwingu and Mbala). Seventh, the establishment of the sub-district structures was widely accepted as a step in the right direction noting that such structures provided formalised and effective channels for community participation in the decision making processes. Last but not the least, discussions with key stakeholders indicated that a growing desire to embrace democratic principles of transparency and accountability seemed to have permeated through the local communities.

The pilot results clearly show that the administration of local government can be greatly improved if the local authorities countrywide can implement projects and programmes such as the CDD.

## **Conclusion**

Any government that claims to be committed to democratic governance in particular and good governance in general cannot afford to neglect the importance of having an effective and efficient local government system. The paper has argued that in spite of this realisation the Zambian government has not done enough to ensure a well functioning local government system. Generally, unrealistic policies and retrogressive government pronouncements coupled with mere political rhetoric has tended to characterise the administration of local government in the country. There is hope, however, that the decentralisation policy launched by the President in August 2004 will enhance the operations of local councils especially with regard to the delivery of services. Among other things, the policy provides for the funding of local councils and underscores the government's commitment to devolve decision-making powers to the local level. The policy also proposes the election of mayors and council chairmen through city-at-large elections. This would, among other things, ensure that such officials were accountable to the electorate rather than to their fellow councillors that elect them to these positions as the case is at the moment.

The paper has shown that upon realising the problems facing the local government system. Zambia's cooperating partners have taken several initiatives aimed at trying to improve performance as well as promoting community participation in local governance. Although most of the initiatives were on a pilot basis, it has been noted that their results were not only very encouraging but also indicative of available prospects. The government should, instead of only paying lip service, be committed to ensuring that the local government system is revitalised to enhance its capacity to deliver the much needed services to local communities. The government will do well to seriously analyse the various 'experiments' conducted through donor-funded projects with a view to implementing especially those that were perceived to have been successful or indeed similar ideas countrywide.

## **END NOTES**

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- <sup>8</sup> The Zambian Government Paper No. 1, 1994.
- <sup>9</sup> Chiteba, A.C., 'Wrangles in Councils in the Third Republic' in *The Institute of Local Government Administrators of Zambia (ILGAZ) Journal*. Vol. 7 Issue No. 7, 1996. p. 29.
- <sup>10</sup> Transparency International *Zambia Slate of Corruption Report*, 2002.
- <sup>11</sup> Cooperation for District Development: Formative Process Research Report. December 2001.

# **Administrative Reforms and the Search for Efficient Delivery of Public Service: the Challenges Facing Health and Educational Boards**

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## **Introduction**

The establishment of the Health and Education Boards is an integral part of the comprehensive reform package of the public service sector that the government has introduced in an effort to make the public service delivery system effective and efficient. The origins of these reforms can be traced to a 1992 government organised workshop. At this workshop extensive discussions and analysis on how to decrease the cost and improve the productivity of the government took place. The workshop gave rise to a comprehensive plan for reforming the public service, giving birth to the Public Service Reform Programme. The Public Service Reform Programme is a strategy which is aimed at transforming the public service in order to improve the quality, delivery, efficiency, and cost effectiveness of public services to the people.

The objectives of the Public Service Reform Programme are basically three. The first is to improve government capacity to analyse and implement national policies and perform its appropriate functions. The second is to effectively manage public expenditure to meet fiscal expenditure objectives. The third objective is to make public service more efficient and responsive to the needs of the people. The rationale behind the Public Service Reform Programme was, therefore, that of providing an enabling environment for social-economic development.

The Public Service Reform Programme is composed of three major parts. The first part is the restructuring of the public service that entails the downsizing and rightsizing of government departments. The main objective of this component of the programme is the attainment of a less costly but more efficient public service. This stems from the general agreement that the Zambian civil service was large, costly, and generally inefficient and unproductive.

The second component is that of management and human resources improvement. This is essentially aimed at improving organisational and Human Resource Management and accountability systems in government departments. This calls for putting in place management systems which are both efficient and effective, and developing skills and knowledge which can enable senior civil servants to manage the civil service more effectively.

The third component of the civil service reform programme is the decentralisation and strengthening of the Local Government. This entails devolution of decision-making authority and control of resources and utilisation from central government to the districts and local authorities. Key aspects to the decentralisation of government departments is the creation of new structures to enhance deconcentration and devolution of powers and functions of government departments.

The other emphasised aspect of the Civil Service Reform Programme is improved financial management through the provision of more financial autonomy to the provincial and local government authorities.<sup>1</sup> It is within the spirit of the Civil Service Reform Programme in general, and its decentralisation component in particular that the health and education boards were established.

In the preface of the Ministry of Education document entitled *Decentralisation of the Education System and Establishment of Education Boards: Institutional Roles, Functions and Relationships of 2001*, it is stated that:

The system of education in Zambia as it stands now, is highly centralised with all decision making power vested in the Ministry of Education Headquarters. Almost all matters regarding planning and management are decided upon by the Ministry of Education Headquarters in liaison with Provincial Education Offices. The district lost the power and authority it once exercised in the management of schools. The school and college authorities also lost power to manage their institutions. Furthermore the existing lines of answerability and communication channels are very long and winding creating unhealthy delays in decision-making.<sup>2</sup>

In view of the above, policy-makers have argued that such a system resulted in inefficiency, marginalised community involvement in what goes on in schools, thereby eroding the sense of ownership that parents and community should have in the delivery of education services. They further add that the centralised system discourages innovation and initiative leading the system to misallocation and misapplication in the utilisation of resources.

In trying to manage the problems emanating from the centralised education system, the Ministry of Education/policy-makers decided to decentralise its functions through the establishment of Education Boards at school, college, and district levels. The understanding is that, the devolution of a number of functions from the national headquarters and provincial offices to the district, colleges and schools allows for more rapid reaction and action to problems and/or opportunities that occur at these points of delivery thereby improving the learning environment and consequently the type of education provided.

In a similar fashion, the Zambian government in 1992 adopted health reforms, whose major objective was to restructure by transferring some functions, duties and responsibilities of the Ministry of Health to autonomous District Health Boards and Boards of Management. The health reforms, therefore, led, in addition to District Health Boards and Boards of Management, to the creation of some other bodies such as the Central Board of Health (CBOH) and Neighbourhood Health Committees (NHC).

The health reforms among other things also emphasised adequate and sustainable financing and popular participation. Adequate and sustainable financing meant coming up with locally sustainable modes of financing in addition to external assistance. Thus, at the local level individuals and communities are required to make contributions to health services. This was in view of the fact that it was becoming increasingly difficult for government alone to adequately finance health services.

Popular participation stands for what is called a positive concept of popular participation. This concept of participation is positive because it does not serve to conceal government intentions in health care provision but it must at the same time be the cornerstone of community involvement in public interventions. There is need to strengthen the linkage between the lowest point of service delivery in the health system and the communities they serve.

### **The Nature and Operation of the Health and Education Boards**

The vision of the Health Reforms is the developing of a health care system which can provide Zambians with equity of access to health services; cost-effective quality care; and health care which is close to the family as much as possible. In order to facilitate the attainment of this vision, the government adopted the Primary Health Care strategy which is being implemented through the creation of District Health Boards. The District Health Boards are supposed to be fully autonomous in their methods of operation. Their main duty is to manage and provide

health services in all districts of Zambia. Through area-specific health management boards, it is hoped that popular representation and technical/professional interest can combine to give Zambia a health care system that is responsive to local and national interests and needs.

The functions of the management boards are outlined in the National Health Services Act Number 22 of 1995, Section three (3) as follows:

- (a) to administer the affairs of the hospital or health services;
- (b) to provide health services and care of patients;
- (c) to provide for and foster research-related fields and to encourage publication of the results thereof;
- (d) to develop, implement, monitor, and review measures aimed at effectively running the hospital or health services;
- (e) to prepare an annual health plan and a budget to be submitted through the Board to the minister responsible for health;
- (f) to provide training for its staff; and
- (g) to do all such things as the Board may think necessary to promote health and to prevent diseases or cure illness.<sup>4</sup>

The boards are also responsible for the procurement, transfer from the public services, and secondment to another management board, of staff. In line with this responsibility, on 4 June 1997 statutory instrument number 76 was issued. This legislation provides the basis for an orderly transfer of staff in the health service from civil service to board employment. The purpose of the transfer of staff from civil service to board employment are said to be twofold. Firstly to rectify the uneven distribution of health staff in the country. Secondly, to make it easier for managers to manage their staff, e.g., to reward those who perform well and to discipline those who do not. It is therefore, argued that the issuing of statutory instrument number 76 of 1997 means that District Health and Hospital Boards can genuinely claim autonomy.

Under this health management system the role of the Ministry of Health is that of providing leadership in terms of policy development, setting national goals and targets, review of performance, overall control and financial audit, quality assurance and statutory compliance, and opening up partnership with various agencies and sectors in support of district health programming. In performing this role, the ministry has to emphasise the principles of individual, family and community self-reliance; equity; inter-sectoral collaboration.

The education boards are being established by statutory instruments in exercise of the powers contained in section 19 of the Education Act. In principle, Education Boards are not different from Health Boards. They entail a new decentralised system of education, where individual Education Boards are the focal points for the delivery of education.<sup>5</sup>

The Ministry of Education (MOE) embarked on a programme of restructuring and decentralisation, in line with its new education policy, *Educating Our Future*. As such, the ministry established Education Boards at school, college and district levels. This meant that certain powers in decision-making were taken to the points of delivery. Following this decision, phase one of the decentralisation process started with a Pilot Project in the Copperbelt province in 1994. District, College and School Education boards were set up in all administrative districts, Teacher Training Colleges and High Schools. In addition, Education Boards were set up in selected Basic Schools and began operating in June 1996. It is worth noting here that the pilot project was evaluated in June 2001 and it has been adjudged a success. As a result, the Ministry of Education Restructuring and Decentralised Committee (MOERDC), a task force set up to spearhead the implementation of the programme, has now been mandated to roll out the process to the rest of the country in phases II and III of the decentralisation programme. Phase II encompasses four more administrative provinces namely. Southern, Western, Lusaka and Northern provinces.<sup>6</sup>

Like the Health Boards, the Education Boards' implementation design that has been adopted allows for community participation in the delivery of education services, and in making decisions in the use of resources flowing into schools and colleges. One of the key forms of community participation that has been adopted, is the payment of user fees by parents/service users.

Among others, the Education Boards are expected to perform the following functions: to plan, supervise, maintain, and control the running of the institution(s) for which the board is established; to approve staffing levels and pupils'/students' enrolment plans; to recruit and deploy staff and maintain staff discipline in accordance with Teaching Service Regulations and the Industrial and Labour Relations Act; to monitor expenditure of all funds meant for the board; to prepare annual budgets; to interpret the needs and wishes of parents and local community in the field of education; to compile a code of institutional rules and regulations; subject to the approval of the minister, to determine in consultation with the parents, the fees payable in respect of each student to the institution(s); etc.<sup>7</sup>

However, while in the case of Health Boards a whole fully-fledged national headquarters in the name of Central Board of Health (CBOH) was created to coordinate the activities of the boards, the Education Boards operate through the existing structures of management and channels of communication of the Ministry of Education. There is a unit at the Ministry of Education that is responsible for the implementation of decentralisation, policies and the coordination of education boards. Under this new arrangement, however, the Ministry of Education still retains responsibility for key national functions in the areas of: drafting legislation; formulating policies; planning at national level; mobilising and allocating resources; developing the national curriculum; setting national standards; collecting data; and providing effective mechanisms for accountability.<sup>8</sup>

Within the decentralised system, the Provincial Education Office, which is the direct representative of the Ministry of Education and overseer of education activities in the province, is responsible for linking provincial education activities with the Ministry of Education headquarters. In addition the Provincial Education Office is responsible for managing education activities in the province, especially in terms of coordinating and monitoring of policies in the province, planning at provincial level, controlling standards monitoring and evaluating as well as overseeing curriculum implementation, collecting and analysing data, and ensuring sustainability of effective mechanisms for financial accountability within the province.<sup>9</sup>

At the district level, the District Education Office acts as the secretariat for the District Education Boards, while the office of Principal of Teachers Training Colleges acts as the secretariat for the Teacher Training College Boards. The office for the Head teacher of high schools and basic schools is the secretariat for High School and Basic School Boards respectively. These Education Boards carry out functions delegated to them by the Minister of Education so as to oversee the education activities under its jurisdiction. This means that Education Boards are accountable to the Ministry of Education.<sup>10</sup>

### **The Performance and Problems of Health and Education Boards in Public Service Delivery**

This section attempts an assessment of the performance of the Health and Education Boards, There seems to be a general agreement that the creation of Health and Education Boards as a strategy for effective delivery of public services is in itself a good idea. For example, Bwalya Nondo's article entitled *Education Boards Rekindling Crumbled Standards* argues that the devolution of authority to the districts will disband the red tape which characterised the centralised education system thereby achieving the net benefit of quick decision-making and faster response to problems/opportunities.<sup>11</sup> A member of Kalulushi District Health Board also argue that 'the Central Board of Health should allow individual District Health Boards to take

a leading role in the health reform programme. The creation of the Health Boards is very good but it is necessary to ensure that the Central Board desists from taking a leading role that is likely to make individual boards merely rubber stamps.<sup>12</sup>

While visiting in Kitwe on 25 April 1998 the United States Agency for International Development (USAID) Deputy Director for Health and Nutrition, Roberty praised local communities involved in implementing health programmes. During a tour of some of the community projects he said that the wide involvement of the local communities in forming Neighbourhood Health Communities (NHC) would make Zambia a role model for other African countries.<sup>13</sup>

A report on short-term consultancy to design technical assistant to the MOERDC discusses the impact of education boards by outlining a number of positive achievements of the boards. It first states that most stakeholders accept the boards as the most appropriate instruments for managing education. It supports this position by arguing that a certain secondary school visited in Lusaka already had a board set up even though officially the province is yet to introduce boards.<sup>14</sup> Other positive achievements outlined in the report include; instilling a sense of ownership of the school and its destiny by the community, reducing bureaucracy in the management of education, and improving industrial relations. The report goes on to mention aspects such as improved teacher welfare and motivation, and acceptance of the payment of user fees by the majority of parents. These latter aspects (teacher welfare and user fees) are however questionable as public opinion (discussed later) indicates the opposite.

There are also isolated examples of visible achievements of boards. St Joseph's Primary School in Lufwanyama district is one such example where the school is said to be putting a lot of effort in trying to satisfy various educational needs of the children. At this school infrastructure such as classrooms, laboratories, toilets, and offices have been refurbished.

Physical achievements of boards are perhaps more visible in the health sector where health reforms have brought about the rehabilitation and upgrading of some health centres into mini-hospitals with the objective of providing primary level health care so as to decongest major hospitals. In Lusaka, examples of up-graded health centres include Chilenje, Chelstone, Matero and Kanyama. In addition research findings indicate that additional revenues earned from user charges have contributed towards improvements in the equality of care at some clinics and hospitals. Some clinics and hospitals have been able to purchase cleaning materials, new uniforms, and drugs from private suppliers.<sup>15</sup>

While the establishment of Health and Education Boards, as stated earlier, has been generally accepted as a good strategy for effective delivery of public services, there are problems in terms of implementation.

The first, and probably the most serious problem stems from the fact that there was no deliberate effort made to get the commitment of all the major stakeholders and make them understand clearly what these boards stand for. Among the key stakeholders who the Ministries of Education and Health seem not to have had full support and commitment from are the parents/service users and teachers/health workers. As a result of that the teachers through the Zambia National Union of Teachers (ZNUT) have been very critical of the Education Boards. This can be evidenced by the attacks that the Zambia National Union of Teachers (ZNUT) made at the Education Boards in October 1997, three years after the pilot project was launched on the Copperbelt. Vincent Zulu's article in the *Times of Zambia* of 12 October 1997, contains the following sentiments from ZNUT:

Teachers have through the Zambia National Union of Teachers hit out at the Boards which they perceive as a threat to their interests and a betrayal of their profession. ZNUT officials pointed out that as much as the objective of the boards might be to grant autonomy to the schools and thereby helping improve conditions.

as teachers they stood to lose much from the resulting delinkage from the civil service... Furthermore, ZNUT feels that by setting up the Boards, government was not only privatising schools but also ridding itself of responsibility for Zambia's educational system."

The criticisms against the boards by the teachers have continued. For example in December 1998, the ZNUT and Primary Teachers' Union of Zambia (PTUZ) representatives, speaking on ZNBC'S Radio Speak Out Programme, opposed the introduction of the boards saying there were no benefits for teachers to enjoy in the school boards.<sup>17</sup> Again in October 1999, the Secondary School Teachers' Union of Zambia (SESTUZ) requested the government to resume funding the schools alleging that the Education Boards have failed completely.<sup>18</sup> The health workers' lack of support of Health Boards was clearly demonstrated through the suits they were making against the government. In March, 1998, for example, the health workers through the Civil Service Union of Zambia (CSUZ) and the National Union of Public Service Workers (NUPSW) filed a suit in the Industrial Relations Court to resolve among other issues, the payment of terminal benefits to the workers before transferring them to Management Boards.<sup>19</sup>

The second problem pertaining to the implementation of Health and Education Boards is associated with the introduction of user fees. In this respect one may be tempted to argue that the user fees were adopted as a major component of both Education and Health Boards without first carefully evaluating their feasibility. The socio-economic situation as it stands now, and even as it stood when both Education and Health Boards were being launched in Zambia defeats the whole purpose of adopting user charges as a major component of a strategy for effective delivery of public services. As a result of user fees, accessing health services as well as education has become very difficult (even impossible) for a large number of users. St Joseph's Primary, in Lufwanyama district, which is a grade one school and is supposed to have about 1 500 pupils, had only about 600 in 1999.<sup>20</sup> Most of them left following the introduction of a user charge of K 12,000 per child per year. Similarly, the levels of charges in the name of user fees have prevented a large proportion of poor people from gaining access to health services, especially women and children who need health services most. There has been a decline in patient flows of sixty to eighty percent at urban health centres following the introduction of user charges.<sup>21</sup>

The third problem seems to result from alleged abuse of authority delegated to the boards. Education School Boards started abusing the concept of greater community participation in the education sector by making many demands from pupils for things that are not directly related to the children's lessons, such as brooms, cobra, empty bottles, candles, tissues, etc.<sup>22</sup> The situation has, however, changed with the introduction of free education by the New Deal Government. In the Health boards abuse of authority took the line of alleged victimisation of workers. The Zambia National Union of Health and Allied Workers (ZNUHAW), in March 1998 sued Kitwe Hospital Management Board and the Nursing Council of Zambia (NCZ) for dismissal of forty-two workers alleging that the workers were victimised.<sup>23</sup>

Inadequate funding, though not directly linked to the aspect of decentralisation and the creation of boards, is another problem affecting effective performance of both Education and Health Boards. In April 2000, two British members of parliament who visited Zambia described the Zambian education system as a disaster and urged the government to increase the Proportion of resources allocated to the sector. Their observation was that about one third of children of school going age could not do so, and only 2 per cent of Gross Domestic Product ) was being spent on education. As a result of this, schools lack teaching aids, pupils squat on the floor, and teachers' salaries are so poor that a number of them teach on empty stomachs.<sup>24</sup>

### **Conclusions: Challenges Facing the Health and Education Boards Under the 'New Deal' Administration**

It is to a large extent clear from the above discussion that almost all the stakeholders of the Education and Health Reforms are agreed on the basic principle of decentralisation and that the creation of Health and Education Boards can lead to effective delivery of public services. Several advantages and positive achievements that are associated with the devolution of authority in Zambia account for this kind of position. First and foremost, decentralisation entails community participation which promotes community influence in decision-making thereby instilling a sense of ownership and commitment in implementing community projects. This means that the users of public services identify themselves with the goals of the programmes being implemented thereby ensuring success and sustainability of the projects.

Secondly, decentralisation can enable resources reach the intended targets quicker and in full. This is because donors can give the resources directly to the intended recipients without having to deal with the at times cumbersome bureaucracy of the centralised systems of administration.

Thirdly, Education and Health Boards in Zambia have recorded physical improvements. The school infrastructure have been refurbished and health centres have been rehabilitated while some others have been up-graded into Mini-hospitals.

The implementation of Health and Education reforms has, however not been easy due to several factors. First, it seems that not enough effort was made to try and get the commitment of the key stakeholders such as the teachers and the nurses. Secondly, user fees have become more of a hindrance to accessing public services than a means of improving access to public services. Thirdly, there has been alleged abuse of authority delegated to the boards, and fourthly, inadequate funding has also affected the effective operation of the boards.

There have been some positive indications by the Mwanawasa's 'New Deal' administration towards increased access to education. In March this year the Mwanawasa government released *Free Education Guidelines* which among other things scrapped statutory fees in primary schools and abolished the compulsory wearing of school uniforms given the fact that some children have been denied access to education on account of their parents' inability to buy uniforms for them. The government also instructed heads of schools that all the pupils who dropped out of school should be allowed to return without conditions. Under the free education arrangement, the Ministry of Education is supposed to provide exercise books, pens, pencils, rubbers, and rulers from grade one to seven. In addition, basic teaching and learning materials like chalk, notebooks, chart paper, felt pens and other requisites are also supposed to be provided to schools by the Ministry. The free education arrangement also affected the commonly accepted Parents and Teachers Association (PTA) levies. According to the guidelines provided, no pupil between Grade one and seven should be levied any user fees including PTA levies.

The strength of the government's argument on the introduction of free education has been supported by the recently released *Human Development Report* which stated that of the three key dimensions of the Human Development Index (HDI), namely: Knowledgeable (using adult literacy and combined gross school enrolment): live a long and health life (measured by life expectancy): and enjoyment of a decent standard of living (evaluated based on Per Capita Gross Domestic Product at purchasing power parities), only the combined school enrolment ratio did not improve from what it used to be last year in 2001.<sup>25</sup> The Government is positive in as far as increased access to education is concerned as it is in line with the United Nations Declaration on Human Rights Article 26 that states that 'Education shall be free, at least in the elementary and fundamental stages'.<sup>26</sup>



However, while free education has increased access to education particularly for children from poor families it, however, has possible negative implications on the operation and performance of the education boards. The combined effect of increased enrolment and elimination of user fees means the Government has to increase budgetary allocations to the education sector tremendously. Such a budgetary allocation is, however, very doubtful given the country's socio-economic position. This, therefore, poses a big challenge to the 'New Deal' administration. As alluded to earlier, already teacher's salaries are below the living wage, pupils in some cases have to squat on the floor, among other problems. By eliminating some user fees the Government has, therefore, reduced the financial resource base for education management and by so doing making it very difficult for the education boards to carry out their responsibilities.

#### END NOTES

- <sup>1</sup> See Njunga Mulikita, 'Administrative Corruption: What are its Implications for Civil Service Reform'. Seminar Paper, Southern African Universities Social Sciences Conference (SAUSSC) December 1997, Pamodzi Hotel. Zambia.
- <sup>2</sup> Ministry of Education, *Decentralisation of the Education System and Establishment of Education Boards; the Institutional Roles, Functions and Relationships*. Lusaka. MOE, 2001.
- <sup>3</sup> Mukupa Aston Masaula, 'An Evaluation of Up-graded Clinics' Performance in Health Care Delivery Services in Zambia: The Case of Chilenje.
- <sup>4</sup> Government of the Republic of Zambia. *National Health Services Act Number 22 of 1995*. Lusaka: Government Printers. 1995.
- <sup>5</sup> Ministry of Education, *Decentralisation of the Education System and Establishment of Education Boards; the Institutional roles. Functions and Relationships*. Lusaka, MOE, 2001.
- <sup>6</sup> Ministry of Education. *Report on Short-Term Consultancy to Design Technical Assistance to the Ministry of Education RDC*. 2001.
- <sup>7</sup> Ministry of Education. *Decentralisation of the Education System and Establishment of Education Boards; the Institutional Roles. Functions and Relationships*. Lusaka. MOE, 2001.
- <sup>8</sup> *Ibid.*
- <sup>9</sup> *Ibid.*
- <sup>10</sup> *Ibid.*
- <sup>11</sup> *Times of Zambia*, 4 March 2001.
- <sup>12</sup> *Times of Zambia*, 10 February 1997.
- <sup>13</sup> *Times of Zambia*, 10 February 1997.
- <sup>14</sup> Ministry of Education, *Report on short-Term Consultancy to Design Technical Assistance to the Ministry of Education RDC*. 2001.
- <sup>15</sup> *Ibid.*
- <sup>16</sup> *Times of Zambia*, 12 October 1997.
- <sup>17</sup> *Times of Zambia*, 12 February 1998.
- <sup>18</sup> *Times of Zambia*, 5 October 1999.
- <sup>19</sup> *Times of Zambia*, 30 March 1998.
- <sup>20</sup> *Times of Zambia*, 6 June 1999.
- <sup>21</sup> Government of the Republic of Zambia/United Nations (1996), *Prospects for Sustainable Human Development in Zambia: More Choices for our People*. GRZ/UN. Lusaka/UN 1996/67.

<sup>22</sup> Time of *Zambia*, 18 January 1998.

<sup>23</sup> Time *of Zambia*, 16 April 2000.

<sup>24</sup> Time *of Zambia*, 16 April 2000.

<sup>25</sup> *Times of Zambia*, 9 August 2002.

<sup>26</sup> Charles Subulwa, 'The Impact of Cost-sharing on Demand and Supply of Basic Education'. Paper Presented at the Third National Workshop of the Zambia Chapter. 10 May 2001 held at Taj Pamodzi Hotel, Lusaka, p. 11.

## **Local Governance and Urban Economies: What Role for Urban Markets in Zambia?**

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Local governments are the pillars of democratic government. They are faced with the responsibility of bringing development to people. Local governments are expected to provide a number of services as well as a forum for citizens to air their views. However, it is quite evident that local governments are not empowered, they are inefficient and are not democratic enough to deliver these expected services'. Most developing nations fail to avail local governments the importance they deserve and in the end fail to devise a systematic approach to development. In some instances Decentralisation is put forward as a solution for local government malaise. This is the case in Zambia where a national Decentralisation policy has recently been produced<sup>2</sup>.

The demand for Decentralisation of authority, public participation, integrity and transparency permeates through to the grassroots of most third world countries. Sometimes this is also tied to donor funding which insists on 'Good Governance' before monies are released. In this respect issues of good governance are highly influenced by several global trends which have acknowledged that economic development is 'more rapid, sustainable and equitable when it is the shared mission of a society'<sup>3</sup>. This sentiment may be true but the problem comes when devising how society shares the mission of development. Some would be players and stakeholders are often overlooked and deemed of no consequence to development of urban areas. Local governments need to become pro-active in generating funds to sustain their activities. Dependence on traditional sources of funding like government grants must be analysed with great care. With the pending autonomy that will come with Decentralisation in Zambia, local government will no longer be able to put the blame on government and hence must start putting their house in order now.

'Viability, capability, accountability and purposefulness are ideas around which policy dispensation for local government can be summarised<sup>4</sup>. Financial viability is paramount and governments must strive to ensure that local governments are fiscally able to perform. Capability and accountability will increase output. Local governments must have the ability to collect and disburse revenue in a manner that will enhance the development of urban areas. The grant system practised in Zambia has proved unsustainable and unable to meet the needs of this century. When revenue is collected by central government, it is not remitted adequately to the local authorities. The purpose of local governments is to provide a conducive environment for the needs of their citizens. With increasing urban populations, local administrative units are failing to provide residents with necessary services. Urban municipalities are expected to provide the following broad and complex services:

Treated water reticulation; refuse collection; malaria and associated pest control; tarmac and gravel roads and drainage maintenance; civic estates; street lighting; other engineering activities (including transport, council buildings, fire services and planning); central support services (including finance department and town clerk staff, training, stationary and councillors' allowances); sewerage disposal; housing; markets; bus terminals; kiosks; sites and service and social services.<sup>5</sup>

The provision of some of these services is severely hampered by the lack of funds and the end result is an urban environment that leaves much to be desired. Apart from the provision of services, local governments can also play a developmental role. The developmental role is about transforming the function of local governments so that the local economy and political

structures produce and reproduce a developmental city that meets basic need<sup>6</sup>. Service delivery is not in this case the only role.

How then can local government in Zambia attain this developmental role? The Decentralisation policy of 2002<sup>7</sup> could provide a framework within which this role can be attained but before it is implemented in full, local councils should start their own resource mobilisation processes. One source of these highly needed resources is the urban market. This chapter will outline the role of urban markets within the urban economies and highlight the causes of their failure to deliver.

### **The Role of Markets in the Urban Economy**

It is not often that policy makers in Zambia take much notice of urban markets. Urban markets end up making headlines in the media for all the wrong reasons. We often hear of markets only when they have been burnt to ashes or when there are clashes between the traders and the local authorities. Markets should not continue to be ignored or sidelined because they form an integral part of the urban landscape. The negativity attached to reporting about markets also indicates that this section of urban land use does not receive adequate attention be it in planning or in management. Why is it that markets continue to be so controversial in most urban areas in Zambia today? Why should these places cause such a furor? There is obviously more to markets than policy makers are ready to admit.

Markets represent a focal point for urban development in that within the urban context they are places where there is access to food products. Markets play an important role in food production and distribution. Their informal nature allows them to easily adapt to meet the specific needs of both producers and consumers<sup>9</sup>. Market actors include the producers, traders, transporters, processors and finally consumers. The intricate relationships that exist between and among these various stakeholders are played out on a day to day basis. Even though markets are most often disregarded probably because of their indigenous nature and the large presence of women, this should not be the case because of the nature of economic activities they host.

The market place provides a venue for exchange for the producer who is able to convert agricultural produce to cash. This is a major entry point of cash into the rural economy. However, the Ministry of Agriculture does not get involved in trying to regulate and facilitate such an obvious source of income. Pricing is arbitrary and dependant on availability<sup>10</sup>. Information on demand is scanty and often informally managed. The economic implications are that small-scale farmers are unable to bargain adequately due to saturated markets, pressing domestic needs and pressing obligations. The negative ripple effects are often felt in the agricultural sector where incomes remain suppressed.

Traders on the other hand often do not have enough capital to expand the scale of their operations. This reduces their power to bargain and to produce larger quantities which in the end ensure larger profits. The larger profits are spent on their households and possibly on other economic ventures. Marketeers surveyed usually had a spouse doing business or in formal employment which is an indication of support when funds allowed<sup>11</sup>. Traders also provide a service for farmers and consumers. In some larger cities, traders are sometimes accused of being exploitative as they sometimes form cartels which dictate pricing<sup>12</sup>. Producers, middlemen and marketers often develop their credit structures which enable the producers to offload goods even when the marketeers or middlemen may not be able to pay immediately. These informal arrangements are based on trust and are significant within an urban economy where formal micro credit is rare.

Transporters represent a valuable link between the producers and traders. Small pick-ups and light trucks are used to transport goods from farm areas to cities. Merchandise is transported to other areas from the main wholesale markets by traders who use minibuses or wheel barrow boys. Transport costs are not regulated though they are closely linked to fuel prices. The small scale transporters dominate the sector but they are not organised and tend to compete for the same clients. Since they are not registered or regulated they also do not remit any taxes to the local economy. The attitude of local governments towards market activities makes them somewhat blind to opportunities of revenue collection.

In an economy where the formal sector is shrinking and the informal sector is the major employer, markets can not be ignored.<sup>13</sup> They provide an opportunity for the large urban work force which would otherwise not have any source of income. A survey showed that 81 per cent of the traders in three markets in Lusaka (Chilenje, Libala and Nyumba Yanga) had attained junior secondary education or higher<sup>14</sup>. This indicates that it is not only those with low levels of education who end up trading in markets. Markets have also provided alternatives for those who had previously been formally employed (survey showed that 30.9% had previously been employed) and those who are straight out of school (12.3% had just completed their secondary education). Many households have survived on earnings from markets and many continue to do so. Apart from household incomes, markets are also a source of revenue for local authorities. The total amount of revenue, however, is hardly ever disclosed.

### **Markets in Zambia**

Zambia does not have a long history of market activity and it is only Ndola which developed from trading activities. The original Zambian markets are usually located close to high density residential areas originally designated for Africans where as the previously 'white' areas do not have market spaces. Currently there are markets in every urban settlement and these have a dual purpose. They provide employment for many people who have failed to enter the formal labour structure as well as providing goods and services to low income households. They play host to many informal sector activities. These include 'carpentry and furniture production, tailoring, trade, vehicle, electronic and other repairs, metal fabrication, restaurants, construction, transport, textiles and apparel manufacturing, foot ware and miscellaneous services'.<sup>15</sup>

Zambian markets have also had their fair share of political interference. Politicians have found markets indispensable since they have been strongholds of the ruling parties. In the United National Independence Party (UNIP) era, each market had a UNIP office. Female market traders were often rounded up to go and dance at airports and it was no secret that one needed to be a card carrying party member to obtain a stall. Market traders proved easy to manipulate and organise since they could always be threatened with eviction. This was also during an era when most traders were women with low literacy levels. The situation has changed slightly and although political parties are still entrenching themselves in markets, they do not wield as much power with the introduction of multi-party politics. They are also learning to stand together.

As marketeers we have been calling for the amendment of the market act for a long time and no politician has helped us to advocate this amendment. We are going to fight our own battles and the politicians should fight their own battles ... We are not going to allow politicians to use us because they only seek our help when it suits them, when they want to settle political scores

Markets have experienced a number of changes over the years which have been closely related to the economic changes in the country. At independence, the urban population was

considerably small and there was not much need for many markets. During the second republic they grew steadily but without receiving adequate attention from local authorities in terms of infrastructure management. As the population expanded more markets were needed. Some were built by local authorities, whilst others were allowed to evolve, their location and form dictated by the laws of supply and demand. With time, most of these markets could no longer contain the demand for trading spaces and traders started plying their wares outside the designated market space. This period saw an unprecedented increase in street vendors.

During the third republic, the situation became untenable and government eventually saw the need for new markets as the streets were flooded with vendors. In a bid to gain popularity, the second republican President condoned street vending and even set up a 'Vendors' Desk' at State House. This caused obvious problems for local councils who could not remove the vendors who were now being called 'Office of the President'<sup>17</sup>. This resulted in the construction of the Lusaka City market and a few other smaller markets around the country. This effort was later supplemented by the markets upgrading programme spearheaded by the European Development fund in 1999.

### **Market Management**

Local authorities have serious cash flow problems which have been exacerbated by the deprivation of traditional sources of income. Councils have been crippled and are unable to provide vital services to the urban populace. For example, in 1997, Livingstone City Council had a debt of 2 billion Kwacha which paralysed its functions<sup>18</sup>. Most are failing to pay salaries and workers go without pay for months. This situation is pertaining and yet urban centres continue to experience increased population. Markets could provide some income if they could only be run honestly. Market revenues, however, contribute less than 10 per cent of the total local authority revenue. A situation largely attributed to 'low fees charged as well as misappropriation of revenue by corrupt officials'<sup>19</sup>. Urban local authorities should also be taken to task for failing to collect revenue. The city of Lusaka is currently run by the opposition and yet there has been no change.

The running of markets has proved to be ineffective and there seems to be no effort to make them viable. Efficiency is higher where revenue collection is concerned but it is the utilisation of these funds which leaves much to be desired. Most markets in Zambia are owned and managed by councils, a few are community or self-help markets<sup>20</sup>. In Lusaka, the capital city, markets fall under the offices of the Director of Housing and Social Services (DHSS). The Market Administrator (MA) from DHSS works hand in hand with the Market Master (MM) at each market in the actual management of markets. Their duties include administration, finance and maintenance of markets. Each market also has Market Advisory Committees (MAC) consisting of three elected market traders representatives, the market master and the area councillor who acts as the chairperson. The area councillor does not, however, have any decision making powers because all decisions are made by the DHSS.

This state of affairs has proved to be very inefficient and it leaves room for laxity in adherence to regulations. This is further exacerbated by the fact that the MAC does not have any decision making powers. The MAC is where the marketeers are represented and yet it has no direct control over the way resources are utilised. There is, therefore, no way of ensuring that money collected is used for the benefit of the traders. There is also no way of ensuring accountability. The DHSS does not have to provide audited accounts of the market finances. There is also an arrangement where sixty percent (60%) of the earnings go back to the market while the remaining forty percent (40%) is retained by the council. Studies have shown that the MAC does not wield enough power to compel councils to remit the money. Sometimes it

takes as long as nine months before any money is remitted. The MAC also does not know how much money to expect from the council since they do not control finances. This allows councils to remit less in some cases.

This scenario is encouraged by the low educational qualifications of the current market masters. Market masters do not need to have any accounting or bookkeeping knowledge and their main duties are merely to allocate stalls and collect levies where possible. There is also no system of ensuring accountability at this initial stage of revenue collection. It is very easy at this stage to understate daily takings since the market master is solely in charge of collecting levies. Marketeers are not compelled to open shop every day and this makes it impossible to predict daily takings. This in turn makes it easier for one to understate the daily takings<sup>21</sup>. The result is insufficient revenues being collected from markets, a problem which could be partially solved by ensuring that the market masters have accurate registers of traders and by improving the method of levy collection. If traders were asked to pay weekly rather than daily then whether or not they trade the amount expected would remain constant making accounting easier.

Corruption in the whole market system encompasses the non-remittance of funds to the right authorities. It also includes the collection of levies by un-authorized people to be used for unknown purposes. It also covers the inability to provide funding for capital projects even after levies have been collected. These acts of omission or outright theft deprive citizens of services they should receive from their local councils. The result is filthy, overcrowded markets and old dilapidated structures. They also contribute to the increase in street vendors whom councils try to get rid of with no success, vendors argue that there is not enough space in the designated markets.<sup>22</sup> Markets have existed without being extended officially and councils have lamentably failed to deal with the urban explosion in the years after independence. The urban landscape has continued to deteriorate and vendors have come to stay.

Another prevalent situation found in markets is one where political parties or market unions are involved in collecting revenues. There are even situations where traders are levied twice. Once by the council and the second time by various market associations which have been allowed to mushroom due to neglect of this sector. Wilhelm summarises the events as follows;

'Development and maintenance by local authorities tend to be hindered by a lack of technical and financial resources. Traders and their associations therefore assume this responsibility and quite often the result is that buildings become dilapidated and market facilities (especially sanitary facilities) become non-functional or extremely inadequate'.<sup>22</sup>

### **Why the Fuss?**

Levy collection continues to be a thorn in the flesh of local councils. Markets may seem so "significant in the greater scheme of things as far as the national economy is concerned. Are they really insignificant? Considering the current economic slump, urban markets have a major role to play in the macro-economic arena. Not only are they a source of employment but they can also be a source of much needed revenue for local authorities. How much money is being fought over by the councils, political parties and market associations like Zambia National Marketeers Association (ZANAMA)?

In February 2003, over 1 000 traders at Mushili market in Ndola<sup>24</sup> went amok when the local authority increased the daily levy from three hundred kwacha (K.300) to five hundred kwacha

(K500). The increase did not appear unreasonable since K500 is the price of a small bunch of five or six vegetable leaves. One can be tempted to ask why then was there such a fuss over such a seemingly small increase? Why couldn't the traders just pay the new levy? If one takes

the figure of one thousand traders within a market, what does this new levy translate to? If one thousand traders pay a daily levy of K500, the daily takings will be half a million kwacha (K500,000.00). Weekly this adds up to three million kwacha<sup>25</sup> (K3,000,000.00), and by the end of the month the total will be twelve million kwacha and it will be one hundred and forty-four million (144,000,000.00 or USD 28.800<sup>26</sup>) by the end of the year. These calculations have not taken into consideration the fact that not all stall owners pay the same levy. Some like restaurant and hair saloon owners pay more.

Different types of stalls attract different charges but K500 is the lowest fee and has been used here. Is it a wonder then that there is so much interest in the collection of these levies? If one market can provide a council with USD30.000 per annum what is the cumulative total of all markets. Lusaka has fifty-six authorised markets and if one uses figures from Nyumba Yanga which is a small market, LCC could collect in excess of USD 672,000 per annum (three billion two hundred and twenty two million six hundred thousand kwacha)

#### ESTIMATED MARKET INCOME\*

		CHILENJE		LIBALA		NYUMBA YANGA	
Stall Category	Rent/ day (K)	No. of Stalls	Rent/ Month	No. of Stalls	Rent / Month	No. of Stalls	Rent/ Month
A	1,000	370	1 1,100.000	103	3.090.000	74	2.220,000
B	2,000	152	9,120.000	64	3.840.000	46	2,760,000
C	3.000	73	6.570.000	29	2.610.000	24	2.160.000
<b>TOTAL</b>		<b>595</b>	<b>26,790,000</b>	<b>196</b>	<b>9,540,000</b>	<b>144</b>	<b>7,140,000</b>
Other income	Rate(K)	Utilisation	Income/ Month (K)	Utilisation	Income/ Month( K)	Utilisation	Income/ Month (K)
Showers (x month)	500/ use	4,460 users	2,230.000	1,470 users	735	1.080 users	540.000
Toilet (x month)	200/ use	10,710 users	2,142,000	3,528 users	705,600	2,592 users	518.400
Bank (rent x month)	300,000	1	300,000			1	100.000
Postoffice (rent x month)	150.000	1	150,000			1	150,000
<b>TOTAL</b>			4.822,000		1,440,600		1,508.400
		US Dollar	\$6,322		\$2,196		\$1,729

Source: GRZ, 1999:21

This is clearly the reason for all the fuss. There is money to be made from markets and someone is benefiting. Traders become disgruntled when they are asked to pay higher levies and yet they do not see what the money collected is used for. Marketeers are becoming more and more educated and are therefore becoming more difficult to deceive. They are capable of calculating the daily takings and asking where the money goes since they still trade in unhygienic and hazardous conditions.



### **What are the alternatives?**

The European Union (EU) funded market programme had proposed increased autonomy in the new management model<sup>27</sup>. This has not been put in place yet and the new market at Nyumba Yanga is being managed by a private firm. The Nyumba Yanga market has a separate bank account and does not have to wait for money to be released from the council. Six months after its inception and while operating at eighty per cent (80% ) occupancy the market had USD 5,000 in its account<sup>28</sup>. This money has been used to finish off capital projects which will increase the viability of the market (a secure overnight fee paying parking lot has been put up as well as a bus stop). These will help increase revenues of this small market which only has one hundred and forty (140) stalls. The accounts are audited and checked by the city council and the manager is in charge of paying the employees and himself. The manager is a qualified civil engineer and accountant. Accountability and sustainability are assured in such a set up. Placing the running of markets in private hands is probably the best option at the moment. This example is an indication of how efficient management can increase revenue for local governments. It would, however, seem, that this is not an immediate aspiration of the officials concerned. The fact that the Nyumba Yanga market has never been officially opened is an indication that no one seems interested in what is going on there. This apparent display of disinterest is most likely because there is no direct benefit to the officials and politicians alike. The other two markets under the EU programme remain uncompleted and yet there is no voice of complaint from officials and politicians. Once again, is this because they know they stand to lose if the markets are completed and new management introduced? The former Minister of Local Government and Housing had ordered political parties to stop collecting revenues. The response he received was that the ruling party was in charge and no one would remove them from markets. This led to the formation of a market task force to look at the problems of management of markets in the country. 'The issue is the markets should be on who should collect levies and how markets should be managed'.<sup>29</sup>

This task force handed in a report and two years later not much change can be seen since the management structures have not changed. What might change are the people benefiting illegally from the market revenues. Management procedures are currently obsolete and management takes place in a 'restricted regulatory framework'<sup>30</sup>. The decisions that have to be made concern the re-organisation of markets and their administrative systems. ZANAMA held its first national convention in September 2005 where they stated that they would not allow management boards to be run by non-marketeers<sup>31</sup>. This is a sign that marketeers want to be fully involved in the running of markets because they see this as a way of curbing mismanagement. Government and council officials should also undergo training in order to improve their competence and efficiency. Training helps to reduce corruption since there are indications that incompetent staff members tend to be more corrupt<sup>32</sup>.

### **Conclusion**

It is clear from the brief examples given that someone somewhere is benefiting from market revenues but it is definitely not the local authorities. There are obviously corrupt practices within the markets, councils and government. One can conclude that the urban market system in Zambia has continued to be ignored deliberately for a reason. Money is being collected but it is not going to the designated place, the market. The collection point (market masters), the receiving point (local government) and the re-disbursement point (local government) need to be re-aligned and closely monitored. Corruption at all of these levels is robbing local authorities and the nation as a whole of much needed revenue which can be used to improve and provide

other urban services like roads, water and waste collection.<sup>33</sup> In the same way similar partnerships can be pursued in the efficient running of markets.

Corruption in markets not only robs local authorities of revenue but also robs the poor market trader of improved market standards which can increase profits however minimally. The Nyumba Yanga example shows how improved standards increase profits. Transport costs are reduced because traders can store their wares in secure new structures. Perishable goods like meat and fish also last longer because the market has electricity and traders reduce losses by storing such goods in fridges. Corrupt practices by a few affect many and the urban market system needs to be redeemed of this nefarious scourge. Development is hindered in areas where it is needed most. Improved market infrastructure does not only look good but it also gives way to other projects as is seen in the Nyumba Yanga case. With Decentralisation, urban local governments can embark on developmental programmes and markets are a good place to start from. Markets can not only provide revenues but are also a place where people can see the local government at work. Positive feelings towards local government will encourage people to pay other taxes like ground rates. This will in turn increase revenues for local councils and enable them to do more.

#### END NOTES

- <sup>1</sup> B. Namachila (1998), Poverty and Governance: The Local Government Structure and Policy Framework, paper presented at Consultation Workshop on Poverty and Governance.
- <sup>2</sup> Government of the Republic of Zambia (GRZ) November 2002, The National Decentralisation Policy: Towards Empowering the People, Office of the President, Lusaka.
- <sup>3</sup> B. Namachila (1998).
- <sup>4</sup> Parnell, S. *et al* (2002), Democratising Local Government: the South African Experiment, Cape Town, p. 4.
- <sup>5</sup> O. Saasa (2002), Aid and Poverty Reduction in Zambia: Mission Unaccomplished, Uppsala: The Nordic Africa Institute, Uppsala, p. 123.
- <sup>6</sup> S. Parnell *et al* (2002) p. 69.
- <sup>7</sup> The National Decentralisation Policy states that 'Councils will be given more authority and a higher degree of autonomy while maintaining sufficient linkages with the centre as demanded in a unitary state.' p. 22.
- <sup>8</sup> Government of the Republic of Zambia (GRZ) Technical Assistance Unit, Studio Bichara, (1996), Final Report Master Plan, \61. 2, p. 6.
- <sup>9</sup> N. Terpend and K. Kouyate (2000), The Constraints of Food Supply and Distribution Systems to African Towns, in Food into Cities. Food and Agricultural Organisation, *Agricultural Bulletin* 143, Rome.
- <sup>10</sup> *Ibid.*, p. 7. This causes a problem to producers especially during harvest seasons when there is a lot of spoilage due to limited capacity of consumers. This pertains especially to fruits and vegetables.
- <sup>11</sup> W.S. Nchito (2002), New Markets, New Practices: A Study of The Management Practices in The New Markets of Lusaka, Zambia. Unpublished Research Report. 48.2 percent of the female marketers had a husband in formal employment and 7.1 per cent had husbands in business, p. 20.
- <sup>12</sup> G. Porter *et al.* (2003), Markets Ethnicity and Environment in a Vulnerable Landscape. *The Geographical Journal*, Vol. 169, No. 4. December pp. 370-381.
- <sup>13</sup> K.T.Hansen (1997) *Keeping House in Lusaka*. New York: Columbia University Press, p. 190.

- <sup>14</sup> W. S. Nchito (2002), *New Markets, New Practices: A Study of The Management Practices in The New Markets of Lusaka, Zambia*. Unpublished Research Report.
- <sup>15</sup> Becker *et al.* (1994), *Beyond Urban Bias in Africa*. London: James Currey.
- <sup>16</sup> *Times of Zambia* No. 13,348, 10 September 2005, 'Fight Own Markets Marketeers tell Opposition', p. 1.
- <sup>17</sup> K.T. Hansen (2004), *Who Rules The Streets? The Politics of Vending Space in Lusaka in Reconsidering Informality*, Hansen, K.T. and Vaa, M. (eds), Nordic African Institute.
- <sup>18</sup> *Profit Magazine* (1997), p. 13.
- <sup>19</sup> L. Wilhelm (2000), Supply Networks and How Markets Work in Africa and Madagascar, in Food into Cities, Food and Agricultural Organisation, *Agricultural Bulletin* 143.
- <sup>20</sup> Government of the Republic of Zambia (GRZ), Studio Bichara, 1999.
- <sup>21</sup> N. Terpend and K. Kouyate (2000), The Constraints of Food Supply and Distribution Systems to African Towns, in Food into Cities, Food and Agricultural Organisation, *Agricultural Bulletin* 143, Rome.
- <sup>22</sup> K.T. Hansen (2004), *Who Rules the Streets? The Politics of Street Vending Space in Lusaka in Reconsidering Informality*, Hansen, K.T. and Vaa M. (eds), Nordic African Institute, p. 73.
- <sup>23</sup> L. Wilhelm (2000) Supply Networks and How Markets Work in Africa and Madagascar, in Food into Cities, Food and Agricultural Organisation, *Agricultural Bulletin* 143, Rome, p. 18.
- <sup>24</sup> *Times of Zambia*, 2003, Ten Arrested in Old Mushili Market Closure Rumpus (Ndola is Zambia third largest city).
- <sup>25</sup> Given a six day week.
- <sup>26</sup> Using an average exchange rate of K5000 to 1 USD.
- \* Note that foreseen market levies per day are higher than those prevailing at Lusaka City Market which charges K1,000, K800 and K500 and are also higher than levies at Chilenje and Nyumba Yanga which charge K500 per day (Lusaka City Market has 3 800 stalls).
- <sup>27</sup> W.S. Nchito (2002), *New Markets, New Practices: A Study of The Management Practices in The New Markets of Lusaka, Zambia*. Unpublished Research Report.
- <sup>28</sup> *Ibid.*
- <sup>29</sup> Sylvia Masebo, Minister of Local Government and Housing, *Zambia Daily Mail*, April 2003.
- <sup>30</sup> GRZ, Studio Bichara. 1999.
- <sup>31</sup> *Zambia Daily Mail*, 10 September 2005. p. 2.
- <sup>32</sup> N. Terpend and K. Kouyate (2000), 'The Constraints of Food Supply and Distribution Systems to African Towns, in Food into Cities, Food and Agricultural Organisation', *Agricultural Bulletin* 143, Rome, p. 9.
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# **The Impact of Privatisation in Resuscitating Zambia's Economy**

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## **Introduction**

The United National Independence Party (UNIP) government under the first President Kenneth Kaunda, which came to power at independence in 1964 and remained in power till 1991, faced tremendous challenges in the field of economy. After independence and particularly in the 1970s, Zambia relied heavily on planning and administrative controls to manage the economy. It relied on the public sector and especially parastatal enterprises to undertake investment and generate economic growth and employment. It depended on international borrowing to finance public sector investments that turned out to be sustainable.

However, after 1971 it became difficult to continue with diversification of the economy due to scarcity of foreign exchange. Copper prices were high on the international market during the 1965-70 period.<sup>1</sup> After this period the price of copper went down on the international market. After Southern Rhodesia's Unilateral Declaration of Independence (UDI), Zambia lost its railway link, and its only access to the sea was through Tanzania. As a result of being a landlocked country, transportation costs became a major constraint in the efforts to diversify the economy.

Due to the decline in mineral revenue, government was ultimately forced to resort to deficit financing. Consequently, after 1975, Zambia started accumulating balance of payments deficits. The government's revenue from mineral taxation fell from K339 million in 1974 to K59 million in 1975, K12 million in 1976 and to zero in 1977. By 1985, huge external debts clouded Zambia, thus lagging behind in repayments of interest to other external loans. The government was forced to negotiate with International Monetary Fund (IMF) with loan terms which were intended to keep the Zambian economy running.

By 1991, the Zambian economy was facing many problems such as short supply of basic goods, inflation which exceeded 100 per cent, military expenditures were rising and social sector expenditures were declining, the budget deficit was large, many parastatal companies were heavily indebted and were making large losses, private investment collapsed and asset-holders were shifting their capital abroad. During this time when Zambia had neither food reserves nor financial resources to deal with natural disasters or other emergencies. The paper highlights the emergence of privatisation with a particular focus on foreign investments in Zambia and in the process evaluating the success and failure of the privatisation programme in resuscitating Zambia's economy.

## **Regime Change and Economy Reforms**

When the Movement for Multiparty Democracy (MMD) came into power in November 1991, it committed itself to an economic recovery programme in the face of galloping inflation, devaluation, a general collapse of the local economy and decline in the per capita income. The new economic recovery programme embraced a policy of macro-economic liberalisation that moved towards privatisation. Privatisation encouraged both local and foreign investors. Consequently, the Government under the Privatisation Act of 1992 established the Zambia Privatisation Agency (ZPA). The Agency was formed to spearhead Zambia's privatisation

programme, ensure transparency and minimise political interference. The Zambia Privatisation Agency received technical and financial assistance from different donors which included USAID, European Union (EU), World Bank, United Nations Development Project (UNDP), Danish Development Agency (DANIDA), Norwegian Agency for Development (NORAD) and Overseas Development Agency (ODA).

This liberalisation of the economy was taken against the background of the declining performances of state owned enterprises that relied on government revenue. Many of the state-owned enterprises were eating into the nation's resources by way of subsidies. These subsidies were using money that the government could have used for infrastructure development. Parastatals became unsustainable by the late 1980s. In addition, several members of the state-owned enterprise management were allegedly not accountable for commercial return but for political patronage and, therefore, an important move was to remove political interference in the running of the state owned enterprises. The dawn of privatisation was, thus, preceded by an era of rapid economic decline in Zambia. The general decline was compounded by falling copper earnings and an increase in the price of oil worldwide, which meant that the government no longer had sufficient resources to boost up parastatals in the face of a declining economy.

It was in the context of the problems that faced the state owned enterprises that the MMD government, therefore, decided to make privatisation a high policy agenda.<sup>2</sup> By undertaking this programme, the government met various bilateral and multilateral requirements.

The government allowed the private sector to become the driving force of commercial and business activity. The government helped by providing whilst helping to provide an enabling environment for business to thrive and in the process helped in improving the economy. This transfer of control from the state to the private sector has been done through different ways such as leasing, sale of shares by competitive tender, sale of assets and any other method the ZPA consider appropriate. The privatisation of state owned enterprises was implemented as a part of government's overall economic reform programme. In fact, it was started under the UNIP government in the late 1980s and was continued under the MMD government.<sup>1</sup> The reform measures included liberalisation of the economy, promotion of private sector participation, enactment of modern legislation, etc.

The Bank of Zambia being a financial and lending institution was supposed to play a critical role in advising the government on how best the privatisation exercise could be carried out. However, even after the re-orientation exercise, the Bank was not autonomous to enable it to make rational decisions without fear of external influence. That is why after 1995, the business associations in the country called for the autonomy of the Bank of Zambia. Although the government acknowledged this, the proposal, however, was 'still born'<sup>1</sup>.

In the past four years, however, the Central Bank has played an important role in enhancing economic development in the era of liberalisation. With the *New Deal Administration* of President Levy Mwanawasa in place, the government has granted the Bank of Zambia greater operational autonomy as clearly stated in the financial sector development plan and the private sector development initiative. The Bank is now able to provide economic information and advice to facilitate formulation and implementation of appropriate monetary policy. In the dissemination of this information, the Bank provides briefs to the press and public on the latest monetary and economic developments to allow for the making of well-informed decisions.<sup>5</sup>

Since the early 1990s, the financial sector in Zambia has undergone significant transformations in order to conform to the requirements of the liberalised economic environment. In particular, the reforms aimed at the macro-economic and social indicators, among them, increase in the real Gross Domestic Product (GDP), inflation, exchange rates, commercial bank lending rates on one hand and health, education, governance and transparency on the other

hand. The developments after the *New Deal Government* have been underpinned by the almost complete privatisation of 261 state-owned enterprises out of 284 enterprises earmarked for privatisation at end of 2004.<sup>6</sup>

Zambia envisioned developing its economy to eight per cent of Gross Domestic Product (GDP) from five per cent recorded during the 2004 fiscal year. According to the regulatory body, Zambia Investments Centre (ZIC), the country has generally a positive investment climate and has taken steps towards enhancing an open economy. ZIC Director General, General Jacob Lushinga said that the country aims at promoting and encouraging complementarities between the government and the private sector. He believes that the government envision minimising its involvement in the administration of the economy and making it private sector driven to maximise returns by all players. According to him, the role of government was to create an ideal regulatory environment and to provide the basic infrastructure to enhance the flourishing of the private sector. The government has undertaken various prudent measures to attract private businesses through the lifting of price controls, forcing of interest and exchange rates, abolition of currency controls and privatisation of former state owned enterprises to make them competitive.<sup>7</sup>

Privatisation in Zambia has led to an influx of major international investors. These investors comprises a cross section of leading multinationals. There has also been a return of a host of leading international companies which have used privatisation as a vehicle for re-entry. International investors have further invested in other large projects outside the privatisation programme.<sup>8</sup>

Market liberalisation is improving the efficiency of resource allocation. Acceleration of the process of disengaging the public sector from commercial activities has, therefore, become the focus of government policy.

### **Government's Role in Providing a Conducive Environment for the Resuscitation of the Economy**

The government has also played an important role in rebuilding the infrastructure of the country and it is increasing its investment in human capital through better delivery of social services. The latter will entail the government improving its own efficiency, especially regarding its employment practices. The improved capacity to tap the existing market opportunities locally and in the region which has also seen some privatised companies pursuing aggressive marketing strategies and captioning export markets as in the case of Chilanga Cement, Zambia Sugar and Parmalat Zambia Ltd. At the sectorial level, policies have been put in place to address key issues. A national road sector reform programme has made progress in rehabilitating infrastructure. New investments in the power sector have led to new investment in mining. Re-orientation within the health and education sectors is placing more responsibility at the community level to provide these services. Better-targeted safety net programmes are addressing the needs of the poorest Zambians. Agricultural activities are encouraging local farmers to cope more effectively with bad weather and to join in the robust growth in exports. Similarly, the opening of the political process and other democratic governance issues have advanced significantly since 1991. The international donor community has supported these and other positive changes.<sup>8</sup>

Despite the support that the international donor community gave to these changes, development assistance to Zambia, however, fell from US \$637 million to US \$350 million in 1998. Although donors were satisfied with progress in technical fields, they have been concerned with governance issues associated with the flawed 1996 parliamentary and presidential elections; with events in the wake of a failed coup attempt in late 1997; and over the slow pace of the privatisation of the economically important copper mines. Donors have, however,

resumed much of the balance of payments assistance. The World Bank continues to be the principal multilateral donor, followed by the UN agencies and the African Development Bank. In 1998, the United States was the largest bilateral donor, in part due to the provision of emergency food aid. Other key donors include the United Kingdom, Norway, Denmark and the European Union. Donors meet frequently to discuss concerns, set priorities, and coordinate approaches.

Over the years, the government seems to have been aiming at achieving positive per capita income growth in a stable macro-economic environment. This has provided the means to reduce poverty and improve the standard of living. For such growth to be sustainable over the longer term, the government will, however, have to reduce Zambia's dependence on external assistance and vulnerability to external shocks by implementing policies aimed at increasing domestic savings, expanding exports, containing imports, and building external reserves. Zambia currently faces a difficult external debt payments situation. The balance of payments is weak because of a very large debt service burden, and the economy is vulnerable to external shocks such as fluctuations in copper prices, and interruptions of balance of payments assistance. Copper and cobalt account for over 85 per cent of exports, and prospects for increases in such exports in the near future are not encouraging. Moreover, over the years, Zambia has relied heavily on balance of payments assistance (including debt relief reduction) to meet its external debt service obligations. Over time, there will be a moderation of the overall level of donor support, and a gradual shift from balance of payments assistance to project assistance.

To move toward external viability, Zambia will have to strengthen its underlying balance of payments position as well as increase its ability to withstand shocks. In order to achieve these objectives, it will be necessary over the medium term to increase non-traditional exports, and private capital inflows. An important sign of progress in this area will be the accumulation of external reserves. If the current account of the balance of payments is to be strengthened so as to accumulate external reserves, monetary, fiscal, and structural policies will need to be geared toward raising domestic savings. The market-determined exchange rate will play the necessary equilibrating role by finding its own level. It may be that a real depreciation of the kwacha will occur in the process of meeting the targets for reserve accumulation, but the level of the exchange rate will not itself be a policy objective. Bank of Zambia (BoZ) operations in the foreign exchange market may need to aim at meeting reserve objectives, while smoothing sharp short-term fluctuations of the exchange rate. Additional reserves will be accumulated if copper prices are high or donor flows are strong.

With such a policy, Zambia is likely to substantially strengthen its balance of payments position, enabling it increasingly to satisfy its external needs out of its own resources. The process will take many years, however, and during that time it is anticipated that Zambia will continue to require balance of payments assistance. The macro-economic framework is designed to be consistent with positive per capita income growth while consolidating macro-economic stability and moving toward external viability. It aims at providing the essential resources to government to meet the social sector and infrastructure needs of the country, while allowing the build up of external reserves. The next few paragraphs summarise the targets for growth of the real sector and the domestic mobilisation of resources.

A key objective of the government's economic reform programme will be to move Zambia toward external viability. Zambia's medium-term strategy, therefore, will be to reduce Zambia's dependence on copper receipts and donor flows by further improving the non-metal external current account position and strengthening international reserves.

Zambia has an exchange system that is free of restrictions on international transactions. Continuing consolidation of macro-economic stability is expected to maintain an orderly

exchange market, but only if the Bank of Zambia will not intervene in the market apart for building its international reserves or to smooth sharp short-term fluctuations of the exchange rate. Thus, the exchange rate is likely to continue to be free to play its necessary role in strengthening the balance of payments.

The government will have to continue to promote the deepening of the foreign exchange inter bank market in the coming years. In due course, the official exchange rate will be based on the rate in the inter bank market. Although the current dealing system was to be maintained during 1995, the Bank of Zambia is assessing the Reuters 2000 alternative. The Bank of Zambia will continue to monitor ZCCM's activities in the foreign exchange market.

Zambia seems to be committed to the timely payment of debt service obligations falling due to multilateral institutions and Paris Club creditors. It will intensify efforts to reach settlements with other creditors. Major efforts were made in 1994 to meet Zambia's external debt service obligations. The obligations that remained at the end of 1994 were settled early in 1995 and Zambia has remained current since then.

Zambia's trade policy has been aimed at moving from an inward-focused strategy of import substitution dependent on high levels of tariff protection to an outward-oriented, export-led strategy based on open markets and international competition. To this end, Zambia has eliminated all direct controls on trade, except for a short list of items controlled for environmental, health or security reasons and has sharply reduced the levels and dispersion of import duties. The three main aspects of Zambia's trade policy are: (i) the long-term commitment to lower tariff levels and the reduction of the rate of effective protection, including efforts to promote freer trade within the region; (ii) special programmes and efforts to address the problems of exporters, including the anti-export bias arising from the substantial import tariffs still in place; and (iii) interim measures to address the instances of negative protection, especially those arising from differential tariff levels across trading partners and the lack of a common external tariff within the region.

### **Pros and Cons of Privatisation**

Around the world the greatest benefits of privatisation have been shared ownership and Zambia is no exception. Since the inception of the programme, literally thousands of individuals have become shareholders on privatised companies. Through the Zambia Privatisation Trust Fund, shares in privatised companies were set aside for onward sales to Zambian citizens. The other benefit of this is that ordinary citizens have some say in the affairs of major corporations in Zambia. It is also important to understand the relationship between privatisation and the Structural Adjustment Programme (SAP). The SAP is a broad-based economic reform programme policy based on liberalising of the economy. The privatisation programme is an important part of this programme in that it helps to create a private sector driven economy with little interference from government. The privatisation programme has gone far ahead. As at May 2002, the ZPA have privatised 257 companies and units and is currently working on the following state-owned companies: Kariba Minerals Limited, Maamba Collieries, Zambia Railways Limited, Zambia National Commercial Bank, Ndola Lime, TAZAMA, Indeni Petroleum Refinery Limited, Monarch Zambia Limited, Zambia Electricity Supply Corporation, Mukuba Hotel, Engineering Services Corporation, Mulobezi Railway, National Airports, (Livingstone, Mfuwe and Ndola), Kafue Textiles, Nitrogen Chemicals, Zambia Clays Industries Limited, Zambia State Insurance Corporation and Zambia Telecommunications Company.

It cannot be denied that the privatisation programme in Zambia has already started showing in several areas amongst them are:

- (i) ZPA has to date transferred over 250 companies and units to the private sector.



- (ii) The privatisation programme has created thousands of Zambian shareholders in various companies.
- (iii) Out of 257 companies and units sold so far, over 60 per cent have been sold to Zambians.
- (iv) The programme has led to an influx of major international investors who have further invested in other large projects outside the privatisation programme.
- (v) Many investors through privatisation have expanded at growth rates that were not possible otherwise.
- (vi) Jobs have been saved by quick privatisations where the company would have been liquidated.
- (vii) The agriculture sector has benefited through increased out growers in the cotton, dairy and sugar sectors.
- (viii) Thousands of Zambians have become home owners through the sale of parastatal houses.

After privatisation, it was inevitable that some workers had to be laid off. It can also be said that there has been a small percentage of privatised companies in which the objectives of the privatisation were not fully achieved due to circumstances outside ZPA.

The reasons for the collapse of some state owned enterprises after privatisation include the following:

- (i) Failure by some companies to pay back loans as a result of high interest rates.
- (ii) Liberalisation of the market has led to stiff competition.
- (iii) Lack of long-term capital, particularly, to local investors for re-investment.
- (iv) Poor management has led to wrong economic decisions by some companies.
- (v) The rapidly changing global economic environment.
- (vi) Lack of entrepreneurial training required as most local investors have been used to a socialist environment for too long.

However, it must be noted many of these companies failed due to problems existing prior to their privatisation and not as a result of the privatisation. Although the ZPA is in the process of undertaking a comprehensive assessment of the impact of privatisation through post-privatisation monitoring, some short-term effects on the economy so far are that:

- (i) There is evidence of increased productivity in privatised companies.
- (ii) There is no much competition among the private sectors.
- (iii) Privatised enterprises are capturing new export markets.
- (iv) Jobs have been recreated in many trading sectors that have mushroomed.
- (v) The tax base has expanded with a growing formal trading sector, therefore, increased revenue for government.

As to the questions of how privatisation is helping resuscitate the Zambian economy and how it is improving the welfare of the Zambian workforce who were laid off, below are some of the due answers:

- (i) The loss making parastatals sold to new private investors which became more efficient and profitable.
- (ii) By creating new jobs and better pay and conditions of service.
- (iii) Taxes paid to government by profit making companies.
- (iv) Wider share ownership which includes employees.
- (v) Giving due weight to workers representatives by new owners.
- (vi) Availability of quality goods and service.

Most of the enterprises that were privatised after 1991 survived and the formal sector now employs 495 000 people, almost the same level as in 1992. The increase in employment in the Private sector has almost compensated the loss of jobs in parastatal companies. The money

raised from the privatisation of state owned enterprises is deposited into the Privatisation Revenue Account and this account is controlled by the Ministry of Finance.

On the overall, privatisation in Zambia has been a great success. Companies which were about to collapse have been revamped. Privatisation has even created employment. The Privatisation programme in Zambia has been acclaimed as being one of the best in Africa.

### Conclusion

Despite the initial teething problems, the Zambian Privatisation Programme has been tremendously successful and the World Bank and Stanford Research Institute cited the Zambian programme as the best in Africa. This has been evidenced by the creation of new jobs through the emergence of new private companies in the transport, manufacturing, trading and tourism sectors, the widening of the tax base, an increase in non-copper export revenue, an increased Zambian participation in the economy, and an increase in the foreign direct investors.<sup>10</sup>

In 1991, Zambia began a transition from a socialist regime to a market-oriented democracy. Since then, an ambitious programme of economic liberalisation has become a model for other countries in the region. By the end of 1997, impressive gains had been achieved. Through a tight monetary policy, interest rates and inflation, which had both been running in triple digits in the 1992-95 period, were brought down to under 30 per cent in case of the former and to 18.6 percent in the case of the latter. The currency (the 'Kwacha'), which had devalued by over 300 per cent through 1996, stabilised and during 1997, showed a very modest decline in value of 10-15 per cent. The economy actually recorded an impressive 5.5 per cent growth during the year and the stock market, which increased in value by over 90 per cent in real terms, was one of the world's best performing.

Much of the gain recorded in 1997 was, however, lost in 1998 and 1999. When the anticipated privatisation of the mines did not occur in 1997, the economy slipped badly, business confidence dropped dramatically and the strong historic donor community support waned. In 1998, the economy actually contracted by 2 per cent, interest rates and inflation surged upward, and the kwacha fell in value by more than 60 per cent. While the economy continued to be depressed into 1999 with business activity at a virtual standstill, the year's indicators were largely flat. The kwacha declined in value by just under 15 per cent, but this was more a function of the minimal economic activity and demand rather than any positive economic growth.

Subsequently there has been a gradual return of business confidence, buoyed by the privatisation of the mines. Foreign exchange deposits in commercial banks have actually increased dramatically, but they are not being sold into the market.

### END NOTES

- <sup>1</sup> J.M. Mwanakatwe, *End of Kaunda Era* (A multimedia publication), 1994, p. 114.
- <sup>2</sup> <http://www.pangaepartners.com>.
- <sup>3</sup> J. H. Chileshe. *The Third World Countries and Development Options: Zambia*. New Delhi: Villash Publishing House, 1987, p. 170.
- <sup>4</sup> *Zambia Daily Mail*, Friday, 6 August 2004.
- <sup>5</sup> Bank of Zambia, *The Role of the Bank of Zambia in the Rebuilding of our economy*, August 2005.
- <sup>6</sup> Special Edition, ZAMBANKER. Africa Economics Summit. June 2005.
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- <sup>8</sup> <http://www.USAID.com,Zambia.p.1>.
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# **Economic Development in Relation to Poverty and Social Services Delivery**

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## **Introduction**

According to Paul Streeten as quoted in Todaro (1985), development must be redefined as 'an attack on the chief evils of the world today: malnutrition, disease, illiteracy, slums, unemployment and inequality; measured in terms of aggregate growth rates, development has been a great success; but measured in terms of jobs, justice and elimination of poverty, it has been a failure or only a partial success'. Goulet (1971)<sup>2</sup> defines development in terms of an 'inner' meaning. This meaning has three core values:

- (a) life sustenance - that is sustaining life through accessing basic needs like food, water, decent housing, access to education and health facilities.
- (b) Self-esteem - this has the meaning of being worth of something, having self-respect.
- (c) Freedom from servitude. All the three values combined should constitute development.

After all, they represent the commonality of goals that all individuals and societies strive for. These form the cornerstone of all the fundamental needs of human societies. Economic development, therefore, should be seen as a necessary condition for the improvement in the quality of life, which can only come about due to development. What economic development should ensure, therefore, is that there is adequate growth in the GDP; there are adequate employment opportunities; disparities in income distribution are reduced; and that social welfare is enhanced for all. Without these necessary and essentials of life, poverty is likely to result. The main essence of development should be to focus on the following:

1. To increase the availability and widen the distribution of basic life-sustaining goods such as food, shelter, health and protection.
2. To raise the level of living and in addition to higher incomes, the provision of more jobs, better education, and greater attention to cultural and humanistic values, all of which will serve not only to enhance material well-being but also to generate greater individual and national esteem.
3. To expand the range of economic and social choices available to individuals and nations by freeing them from servitude and dependence not only in relation to other people and nation-states, but also to the forces of ignorance and human misery.

In this chapter, economic development is interpreted to mean the translation of benefits of economic growth into tangible improvement in the standard of living of the people. Economic development, therefore, should be seen, not as a static phenomenon but rather a dynamic process that ultimately ensures that people's standards of living are continuously being improved upon. Where this does not happen for one reason or another, there is bound to be corrosion in the living conditions of the people who are supposed to benefit from the gains of economic growth. In extreme cases, a state of deprivation, commonly referred to as poverty, will result. This condition, once prevalent in a country has the consequential effect of denying a larger section of the population accessibility to necessities of life such as food, appropriate housing and sanitation, education and health. Additionally, these situations make people vulnerable and weak to fight off such diseases as HIV/AIDS, malaria, and malnutrition to mention a few.

In Africa where the state of deprivation is particularly very high more predominantly in sub-Saharan Africa, the situation is further compounded by natural causes such as drought and floods which have made the situation even worse. This has contributed to the food insecurity that is experienced in most parts of the continent. Civil wars, regional conflicts, and high population growth rates have all contributed to this calamitous state of affairs. In fact, despair, vulnerability and a sense of helplessness is created as a consequence of poverty. Some analysts have in fact gone to the extent of linking poverty to bad governance, that is to say bad governance leads to poverty and that poverty leads to bad governance. This phenomenon it seems is apparent in most poverty stricken countries of Africa today. Bad governance, it is suggested manifests itself in the following ways:

- (i) The high indebtedness facing most of the poor countries.
- (ii) Poor economic policies.
- (iii) High prevalence of kleptocracy, misapplication of economic resources.

Below is a brief treatise on the above-mentioned points. The discussion will make specific reference to Zambia as one of the countries that is in this trap and is highly exposed to these vices.

### High Indebtedness

Zambia's debt stock is as shown in the table below

<b>Zambia's External Debt Stock (US \$ Millions)</b>				
	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
Bilateral	3,296	3,478	2,676	2,390
Multilateral	3,152	3,172	3,376	3,446
Govt, debt Private and Parastatal	303	279	455	473
<b>Total Stock of external debt</b>	<b>6,751</b>	<b>6,929</b>	<b>6,507</b>	<b>6,309</b>

Source: Bank of Zambia Annual Reports<sup>3</sup>

As can be deduced from the above, over the years, the debt stock has been rising.. This however, does not say much in terms of interpreting the effect debt has had on the country's abilities to effectively tackle the problem of poverty. More meaningful statistics below could help explain what effect the debt has had on the living conditions of the Zambian population. The Table indicates some ratios that can be used to explain the extent and likely effect of debt. The ratios used are the debt service/export ratios, the total debt/GNP ratios and the Interest/GNP ratios.

	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
Debt service/Exports	0.49	0.5	.46	0.32	0.37	0.48	0.22
Total external/GNP	1.95	2.24	2.35	1.92	2.52	2.27	2.87
Intemet/GNP	0.07	0.08	0.06	0.05	0.07	0.07	0.04

Note: Ratios computed from Bank of Zambia Statistics.

The figures indicate a relatively high debt service ratio in the earlier years followed by a steady decline in subsequent years. The debt cancellations and the easing up of conditional ties with the advent of the Highly Indebted Poor Countries Initiative, HIPC in short explain the decline. This is a programme that has been designed by the World Bank and the International Monetary Fund to help reduce the debt burden of mostly, the poorest countries. It should be emphasised that arising from the table, the decline in the ratios are largely explained by the relief due to HIPC. It is obvious from this scenario that the country has no capacity to service its debt. Even then the total amount that goes towards debt servicing is relatively high. The point is that the amounts that are being paid in servicing the debt would go a long way in improving the living conditions of the majority of the Zambian population.

As Zulu (2002)<sup>5</sup> points out, a high debt burden is usually reflected in reduced social sector spending as huge financial resources are channelled into debt service payments.

This is the general picture that one gets regarding Zambia. In fact the budget allocation to the social sector as compiled by Zulu in the research project cited above is shown in the table below.

Year	Education	Health	Social Security and Welfare	Scheduled debt Service Payments
1990	65	44	9	647
1991	78	50	12	718
1992	39	22	7	678
1993	68	40	14	522
1994	78	74	8	541
1995	94	56	13	590
1996	94	56	7	453
1997	157	72	7	376
1998	55	46	6	315
1999	64	46	4	361
2000	100	67	8	169

Source: Bank of Zambia Annual Reports.

A comparison between the expenditure on the three sectors and what is actually spent on debt servicing reveals a startling fact and that (without including the figures for year 2000) the expenditure on debt servicing generally has been about three times compared to what is spent on the three sectors. In the year 2000, the lower ratio is explained by the fact that Zambia had qualified for the Highly Indebted Poorer Countries (HIPC) that reduced the burden of debt servicing.

The main point being made here is that with the high debt burden that the country carries on its shoulders, much of the resources generated locally are spent on debt servicing while very little goes towards improving the social sectors of the country. This explains partly the high poverty levels being experienced in the country.

It should be noted however that this problem of high levels of impoverishment being experienced in most developing countries including Zambia, has in fact been recognised by the lending institutions such as the World Bank and IMF. It is worth noting at this juncture that having been the main architects and proponents of the Structural Adjustment Programmes (SAP) that are now largely blamed for the high levels of poverty being experienced in most developing countries, these are in fact the same institutions to be the first to admit that the SAPs failed to address the social sector requirement of the poor countries. Hence the design of HIPC was with these considerations in mind. Under this initiative, the need to reduce the annual debt service payments has been recognised.

Under this initiative, the annual payments will be as indicated below:

<b>Year</b>	<b>Annual total before HIPC (US \$ Million)</b>	<b>Annual total after HIPC (US \$ Million)</b>
2000	193	169
2001	436	158
2002	429	148
2003	434	151
2004	434	211
2005	434	302
2006	214	96
2007	241	121
2008	246	130
2009	257	137
2010	256	135
2011	267	139
2012	256	121
2013	245	101
2014	251	101
2015	267	109

Source: IMF Country Reports<sup>5</sup> and Budget Speech<sup>6</sup>

From the table, it can be deduced that the HIPC initiative does to a certain extent give some relief for the country to use the savings arising from debt servicing. These are resources that can go towards increasing social service delivery systems and eventually help reduce the extent of poverty in the country. It is also worth noting that while HIPC intends to help reduce the debt burden, that is seemingly the root cause of the wide spread poverty levels, it is equally important to note that under HIPC additional resources will be made available to the recipient countries in form of grants though this will be conditional upon satisfying certain conditions. It is expected as part of the conditionality by HIPC that such resources should go towards poverty alleviation programmes as spelt out under a Poverty Reduction Strategy Paper (PRSP) to be agreed upon among the stakeholders including government, the civil society and the donors.

### Poor Economic Policies

For a long time till 1991, Zambia's economic policies were brewed in a socialist pot. Since 1991, and with the influence of Western institutions particularly the World Bank and IMF and also due to the global changes that were taking place in the 1990s after the collapse of the Soviet Union, it became apparent that any country seeking assistance from the World Bank, the IMF and from members of the Paris Club or the Group of 8 (G-8) consisting of the most developed countries in the world, must first ensure that socialist structures were dismantled. A country seeking such assistance must be seen to be implementing market inspired economic policies. In case a country needed reference in order to understand what this meant, it was made easier for them with the production of a standard blue print that spelt out that being market driven meant the following:

- (i) Complete economic liberalisation.
- (ii) Privatisation of previously state owned enterprises.
- (iii) Adoption of economic stabilisation policies that would ensure and check excessive growth of money supply through tight monetary and fiscal policies.
- (iv) Restructuring of the public service.
- (v) Adoption of a cash budget.

For the next ten years, Zambia did just that, and she succeeded in dismantling almost all the structures that were mainly built on a socialist foundation. The results of this intended transformation would seem to suggest that on face value the government was too naive to believe that this transformation of the economy away from one system into another was simple exercise that only required a pious approach to SAP. The credulity demonstrated by government was apparent when government quickly moved into the SAP soon after coming in office in 1991.

The results of the programme have been a mixed bag. However below is an illustration of the results of the programme. In the last ten years, there has been no real economic growth. Despite the fact that some years registered some growth, the net result has been a zero growth rate. In other words in the ten years of reform the country registered no growth at all. This is in spite of the fact that during the same period, population grew at a rate of 2.9 per cent per annum. This has the effect of putting more strain and pressure on the existing social service infrastructures such as hospitals, educational facilities, and housing. Furthermore, since there was stagnation in economic growth, real income likewise stagnated and for that reason made access to the social services much more difficult.

There is also deterioration in the social indicators of the well being of a people. Social indicators should be considered as fundamental in measuring the social well being. Again, as a consequence of the reform programme, the reform effort registered a weakening of the basic, social indicators. These should be measured in terms of accessibility. The social indicators do confirm this particular point. The subsequent table reveals the fact that there has been a rapid deterioration in the general living standards of the average Zambians. For example, the table below whose figures are compiled from the World Bank's African Development Indicators' Report (2001)<sup>7</sup> indicates that the percentage of Zambians living on less than US\$1 per day is as high as 85 per cent. The use of less than US\$1 per day is the measure currently used by the World Bank to measure the incidence of poverty. The table further reveals that income distribution is also highly skewed with 20 per cent of the majority of the population owning or consuming 55 per cent of the income while the poorest 20 per cent accounted for only 4.3 per cent in the period 1986-97.

**Basic Social Indicators**

(a)	Percentage of population living under US \$1 a day	85% between 1984-1997
(b)	Percentage of household income spent on food	63% between 1991-1997
(c)	Income Distribution Richest 10% Richest 20% Poorest 10% Poorest 20%	39.2% in 1986-1997 50% 1.6% 4.2%
(d)	Life expectancy at birth	51 years in 1982 43 years in 1981
(e)	Infant mortality rate	88 per 100 in 1982 114 per 100 in 1998
	Mortality of children under 5 years  Maternal mortality per 10 000  Crude death rate per 100  Access to sanitation facilities as % of population	192 in 1998 650 in 1998 17.2 in 1998 47% in 1990  23% between 1993-1997 of which 56% in urban 1990, 41% in rural 1990 40% in urban 1993/97 10% in rural 1993/97

**Health**

## Health expenditure as % of GDP

Public expenditure as % of GDP	2.9% between 1990-97
Private expenditure as % of GDP	3.3% between 1990-97
Total expenditure per capita	US \$16.00 between 1990-97
Population per physician	7913 in 1981
	111,104 between 1990-96
HIV/AIDS prevalence rate	20% of adult population in 1998



**Education***Primary School Gross Enrolment Ratio*

Ratio	90 in 1980 99 in 1990 89 between 1994-97
Males	98 in 1980 91 in 1994-97
Females	83 in 1980 86 in 1994-97
Public expenditure on education as a % of Total public expenditure as % of GDP	11.4 in 1980 8.2 in 1990 11.0 between 1993-99 3.5% in 1980 1.6% between 1993-96

Source: African Development Indicators, World Bank 2001<sup>8</sup>

Life expectancy has also gone down to forty-three years from fifty-one years in 1982. In fact other reports from the World Bank and IMF do indicate a life expectancy of only thirty-seven years.

Infant mortality, maternal mortality as well as mortality of children under five years have also risen in the recent past as shown in the table. The situation has also been worsened by the high prevalence of HIV/AIDS and affects about 20 per cent of the adult population. This is rather a very high rate relative to world prevalence rates with one-figure incidences recorded in most countries. Only Botswana has a higher recorded rate than Zambia as suggested in the same report cited above.

As though that were not enough, other social indicators paint a very gloomy picture for Zambia. For instance, it will be noted from the compiled statistics that access to and delivery of social services have also been on the decline. While the decline in social sector spending for example, can be attributed to government's inability to recognise the social needs of the population, the decline can also be highly attributed to the myopia of the lending institution in dealing with the social sectors under the Structural Adjustment Programmes that mainly concentrated on attaining macro-economic stability rather than ensuring the creation of a suitable social service delivery system. In other words, Structural Adjustment Programmes never considered the development of the social sector as a primary target. Effort and resources were directed at enforcing reform primarily in the areas of privatisation, stabilisation, public sector reform and certainly not social sector spending, as has already been shown in the earlier table. In this regard, it will be noted from the table that in terms of accessibility, sanitation, safe water, health facilities and education have also shown a marked decline.

The statistics do reveal in fact that access to sanitation and safe water has actually declined. In 1990, access to sanitation and safe water was 47 per cent and 48 per cent respectively. This declined to 23 per cent and 43 per cent respectively between 1993 and 1997. The situation is worse in the rural areas than the urban areas as the figures indicate. Likewise, expenditure on health as a percentage of GDP also declined over the years. Total expenditure as a percentage of GDP on the health sector was only 3.3 per cent between 1990 and 1997 while total expenditure Per capita was only US\$ 16. Worse still, in terms of health care, in 1981 the number of people

per doctor was 7 913 while the ratio increased to 11 104 people per doctor between 1990 and 1998.

In the educational sector, public expenditure as a percentage of total expenditure has shown some steady decline, though because of HIPC this is showing a steady increase. Enrolment ratios have also declined with a high reduction on the number of boys accessing school places. The marked improvement in the number of girl-child ratios can be explained by the number of deliberate programmes foresighted at girls such as the programme for the advancement of girl child education. It is apparent from the foregoing that Zambia's social indicators have shown a constant decline in the last decade or also.

Of interest arising from this fact is the apparent significant relationship between economic performance and the indices in the social sector. As the economy declined over the years, so did the social indicators. One can then safely say that a positive relationship can be established between economic growth and improvement in the general standard of living as can be shown by an improvement in the social indicators. One can of course cite cases of countries where this has been the case. However, this does not seem to be the case in most developing countries including Zambia. In other words the economic growth rates that such countries record in certain years do not correspond with a positive change in the living conditions of the people. One would, therefore, be prompted to ask the question as to why this does not happen. Could it be for instance that the growth rates being recorded are imaginary or meant to suggest that reform programmes do actually work? It is in this light that in this chapter the author fully agrees with the use of the Human Development Index (HDI) developed by the United Nations Development Programme (UNDP)<sup>9</sup> which tries to measure a country's well being not by the usage of standard measurements of well-being like the GNP per capita. According to the Human Development Report (2000), the HDI is defined as 'a composite index based on three dimensions: longevity as measured by life expectancy at birth; education attainment as measured by a combination of adult literacy and the combined gross primary, secondary and tertiary enrolment ratio; and the standard of living as measured by GNP per capita'<sup>10</sup>. The UNDP also uses another index to measure the extent of poverty. This index called the Human Poverty Index measures deprivation in the three dimensions of life; longevity, knowledge and a decent standard of living. In general, it tries to relate a country's development to the general standard of living of the people by looking at what they own and their accessibility to basic needs. Only by the use of such indices would one be in a position to know whether the benefits of growth can be translated to meaningful economic development.

### **High Prevalence of Kleptocracy and Misapplication of Resources**

One often - underplayed fact in Africa is the high prevalence of kleptocracy and the misapplication of economic resources. Kleptocracy is a phenomenon that arises due to failure by government to provide social services more efficiently. As a consequence of this failure or inefficiency, government workers and politicians with government positions in particular take advantage and like in an auction sale, will simply sell these services on the black market. Simply put, these officers engage in corrupt practices. In terms of economics, kleptocracy occurs when the supply of government services is lower than the demand for such **services**. Consequently, because the price for such services is fixed, the government employees appropriate the difference with the market price known simply as the rent. High levels of Kleptocracy or corruption in most African countries have led to millions of dollars obtained either as loans or grants being diverted to personal use of individuals. This results in the diversion of the resources away from the developmental needs and the needs of those who require the delivery of social services. For example the taxman is not able to collect the full tax

revenue, the policeman is not able to arrest those who are corrupt and engage in bribery and extortion because such a policeman is easily paid off to look the other way while crimes are being perpetuated and so on. This practice has contributed to the high poverty levels. It is apparent that this tendency tends to breed inefficiencies in the delivery of social services. This is one thing among many that has contributed to the high incidence of poverty in Africa. As the Jubilee - Zambia Research Report (2002)" observes, development otherwise should be defined to include the questions of human rights. The Report suggests that debt (and kleptocracy) 'have both direct and indirect consequences on the fundamental human rights. These are social-economic rights such as access to clean and safe water, affordable health care, education for the children, decent meals and shelter'. The report goes on to suggest that, 'these rights are being undermined and violated by the creditors through demands to have their money back no matter what the social consequences might be'. The Human Development Report (2000)<sup>12</sup> also suggests that 'the idea of an individual right must involve directly or indirectly a claim that one person has over other individuals, groups, societies, and states; some rights take the form of immunity from interference by others while others take the form of a claim on the attention and assistance of others to be able to do certain things'. The argument here is that if people are accessed basic requirements presumably by government or they are denied a right to exercise their human potential by not providing them with the means like proper education or good health due to lack of adequate medical care then obviously their basic human rights are being infringed upon. This could also be interpreted to mean that failure by government to assist its people in the provision of basic requirements of life is an infringement of human rights.

Additionally, of course, it is not only the donors that need their money paid back, more often than not it is the government itself that tends to misapply the money either through implementation of poorly designed programmes or through open corrupt practices as suggested above. As a result, the trickle down effect, in terms of the benefits reaching those that really need the assistance is not there, and if it is, it is quite negligible.

How then could developing countries like Zambia proceed with their development efforts? Various approaches of course have been tried out and in all instances there has been very little success registered. At one time just after independence it was thought that in the absence of adequate domestic savings which were required to help increase the pace of economic development, the only sure way of doing that was to involve the state in taking the leading role. Consequently, the State nationalised most of the foreign-owned industries. The nationalisation took place in almost all the sectors of the economy. Although initially there was some success with high rates of economic growth registered in the early years of the 1970s, the process however, could not be sustained due to a number of problems most of which were outside the control of the state.

In the early 1980s right through the late 1990s an attempt was made to move away from an economy that was largely dominated by the state to one in which the private sector was to be the leading force. This was done through a rigorous privatisation process that in the ten years of its implementation the states participation had been reduced to less than 10 per cent. Complete liberalisation was also embarked upon with the net result that a number of formerly state owned enterprises had to close for their apparent lack of competitiveness. The social costs were immense as already alluded to in the earlier paragraph.

In which way then should Africa in general and Zambia in particular be headed in the face of this development paradigm? Before any concrete suggestions could be made, a reflection if what has been discussed in this chapter would probably be necessary.

It has been suggested that Africa is in dire straits. It has no capacity to come out of the Situation. What even worsens the state of affairs is the debt trap that it finds itself in, of course

with no capacity to pay it back. Compounded with this problem has been the consequential deterioration in the living conditions albeit the high levels of poverty afflicting the continent. Disease incidence has also multiplied with HIV/AIDS making the situation even more distracted. This is the picture common for almost all sub-Saharan African countries.

It should be noted however, that leaders in Africa have recognised this status quo and in an effort to address the problem, an initiative called the New Partnership for African Development (NEPAD) has been launched with emphasis that Africa should begin to think on the lines of reducing dependence on the Western donor countries in order to finance their development. In this respect, a partnership should be encouraged where the Western countries should open up their markets even wider to allow for products originating from Africa to have a forte in that market. The investors from these countries should like wise be encouraged to make serious investments in Africa so that the much talked about prospectives of Africa can be exploited to the mutual benefit of both parties. Participation of the private sector in Africa will also be encouraged under this programme<sup>13</sup>.

Whether this will stimulate the much talked about development is still debatable going by the high failure rate of previous programmes.

### **Conclusion: The Way Forward**

With the apparent lack of capacity to pay back the debt, the way forward is of course to find a lasting solution to the debt problem. Efforts like those of the jubilee organisations led by the churches to have the debt completely written off should be encouraged but do not offer a lasting solution. It is not clear for example whether the continent would be able to survive on its own without donor support. In this case, it should be correct to suggest that most sub-Saharan African countries would not be able to survive on their own without donor support, Zambia included.

The solution is not in debt cancellation but in creating capacity to pay back the debt. It is in this light that it is suggested that the thousands of Africans in the Diaspora should be encouraged to come back and be able use their resources in their respective countries. After all, these Africans do possess the professional skills and the money that is required to bring Africa to prosperity. Once such investments are actualised, sustainable development could help reduce the dependence on donors. Foreign investments from Western countries can only help augment efforts by donors and should not be made to play the leading role as that only helps to perpetuate the dependence syndrome.

Secondly, there is an unquestionable need to improve economic development of most countries by adopting poverty reduction programmes that help increase the participation of all able bodied people in productive economic activities. It is not enough to merely design programmes that reduce the desperate plight of the poor by giving donations such as food or grants as to enable those living in poverty to survive on a day to day basis. What is required is the creation of capacity for individuals to look after themselves. Meaningful income generating activities at household level can as an example be encouraged; creation of real as opposed to disguised employment can be encouraged; and public expenditure should also be directed at increasing access to education, health facilities as well as decent housing and sanitation. Anything short of such efforts does not create sustainable development.

What this means therefore is that if it is programmes that are meant to improve rural conditions, such programmes should not be about reducing hunger in that particular year using public resources. It is not about giving subsidised fertiliser or other inputs for that year. It should be about creating lasting capacity in these areas for the individuals to continue to want to produce for the market, year-in year-out. Therefore conditions must be created such

that output from these areas do find a ready market, likewise input deliveries become more affordable. Only then can meaningful development occur for the rural poor.

In like manner, for the urban areas accessibility to jobs and basic things like clear and safe water, electricity, a safe environment, education, and health do help increase the general quality of life. Public expenditure therefore should be targeted towards improvements in such areas. Programmes of poverty reduction and alleviation therefore should not be about food-for work programmes or such programmes that do not improve household incomes. They should be able to create jobs that can help sustain real household incomes. The programmes should be about enhancing entrepreneurship skills for households that do have some trades or skills to use.

They should be about creation of a vibrant and innovative middle class. It is such efforts that can help reduce urban poverty.

Thirdly, corruption also has to be nipped in the bud. The extent and severity of this problem has been under-played in the development efforts of most developing countries. Autocratic and despotic regimes have siphoned out of the continent millions of dollars that otherwise would have been used to alleviate poverty. It is a common story in about all African countries. Ratings by such well known international organisation like Merrill Lynch or Standard and Poor rank most African countries poorly as suitable destinations for foreign investments. Without such vices, the African foreign investment portfolio would have been much larger than it has been.

Fourth, social issues such as the need to combat HIV/AIDS are non-negotiable. The scourge has particularly hit hard the middles class. This is the class that is key to development efforts of the African countries and yet it is the one that has been perishing at a very fast rate. The contribution that would otherwise have been made by this class to the growth of the gross domestic product in real terms has not really been quantified but what is true is the fact that a lot has been lost due to this scourge. Serious efforts, therefore, should be made to reduce this incidence. The same goes in combating other endemic diseases such as malaria that easily lead to death.

It is clear from the foregoing that unless Africa begins to think more clearly in terms of its development efforts, very little will be achieved in terms of bringing up the continent around from its Cinderella positioning. Without such efforts coming from the Africans themselves, sustainable economic development will be a far cry. It is therefore imperative that programmes that are designed in the realm of poverty alleviation should be about involving the local people in the production process. That is what participation democracy is all about. As things are now most people are marginalised from participation in the development process. They only get involved when they are recipients of donated food, health facilities, etc and not as participants in the development efforts. It is this that has to change if meaningful and sustainable economic development has to become a reality.

## END NOTES

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# **Financial Mismanagement in the Zambian Public Sector: The Case of Presidential Housing Initiative**

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## **Introduction**

Corruption and fraud present major challenges for both the developed and developing countries. There is clear evidence that corruption in the public sector is a major obstacle to economic development. Widespread corruption affects the whole culture of a country. It makes it more profitable for people to cheat and defraud and lessens the incentives for honest citizens. Mary Robinson<sup>1</sup> quotes the story of a day in the life of Juma and Fatma Ali and how corruption has affected them.

At dawn, Fatma had to pay dearly for water because of corruption by the builder of a community well, which no longer worked; water from the well was supposed to be free. Charcoal for heating breakfast was also very expensive because of bribes paid to forestry officials, and they had just enough. Bus fare to a school for Amina, the daughter of Fatma and Juma, was exorbitant because of bribes paid to the bus franchise owner. Amina would only be able to enroll in school if a bribe were paid equal to two months of her father's salary. To keep his job Juma had to pay 20% of his monthly salary to his foreman. Finally, that day, Juma came home from work to find that the family had been evicted from their home, which had been demolished by the local government to make way for a middle class housing development. Transportation to new land was available only at the cost of one month's wages. The decision to demolish the houses and start the new development had been the result of a bribe paid to the mayor.

The story of Juma and Fatma Ali is not rare in either the developing or the developed world. But does it have to be like this? Can we aspire to a world, which is virtually corruption free? The Seoul findings<sup>2</sup> declare, 'We state our strong conviction that there is absolutely no substance in the myth that corruption is a matter of culture. Rather, it offends the beliefs and traditions of us all'. While corruption is a global problem, developing countries feel its effects disproportionately greater as they have less material possessions to begin with. Sullivan<sup>3</sup> put the point well when he observed:

The poor share disproportionately in the negative effects of corrupt behaviour in the form of lost jobs and income. In the developing world, resources and funds that could go into infrastructure, education, and other elements integral to development end up lining someone's pocket due to the effects of corruption. Corruption scares away investment that could reach those areas and bring new prosperity.

We have witnessed a dramatic change in the attitude to fraud and corruption in Zambia since a new president was elected in the year 2001. The new deal government's zero tolerance towards corruption has seen a new era emerging. Because of this emerging culture of transparency and accountability we have recently witnessed the revelation of widespread and extensive cases of corrupt practices in the public sector by the previous regime. Coupled with government initiative, we are seeing a more robust approach by international donors to public sector fraud and corruption. The International Monetary Fund, World Bank and Transparency International have invested heavily in on-going research on measures to stem the scourge of corruption. Most of the studies on corruption tend to focus on macro or country issues. This

study takes as its focus one significant public organisation involved in corruption and fraud whereby the citizens of Zambia have lost enormous sums of money.

The funding and operation of the Presidential Housing Initiative are reviewed. The gross financial abuses are quantified with the assistance of the special report of the Auditor General. The checks and balances which should have existed in that organisation but were regrettably absent will be highlighted as well as the special role played by the chairman of the organisation. As well as the lack of a proper system of internal checks, attention will be drawn to other deficiencies in the financial governance system. This includes the failure of the organisation to establish an internal audit function. The failure of the office of the Auditor General to take pre-emptive action to stem the abuse of office in PHI will also be discussed. We explore the issue on whether or not gross abuses of public office can still continue under the new dispensation.

### **Financial Fraud and Corruption**

While there is widespread discussion about fraud and corruption, the terms are rarely defined and explained. In this paper, we consider two definitions of fraud. Michael Comer<sup>4</sup> in his book *Corporate Fraud* defines fraud as 'any behaviour by which one person intends to gain a dishonest advantage over another'. A more comprehensive definition is offered by Simmons<sup>5</sup> as follows:

- (i) An individual or an organisation intentionally makes an untrue representation about an important fact or event.
- (ii) The untrue representation is believed by the victim.
- (iii) The victim relies upon and acts upon the untrue representation.
- (iv) The victim suffers loss of money and/or property as a result of relying upon and acting upon the untrue representation.

Corruption is sometimes used interchangeably with the term fraud but strictly it has its own specific meaning. According to Holloway,<sup>6</sup> 'corruption has broadly been defined as the abuse of public power for private gain. It involves a monopoly of resources and the abuse of discretion.' Other writers make no distinction between the terms fraud and corruption. Some examples of acts of corruption include bribery, illegal gratuity and extortion. But as pointed out by Transparency International<sup>7</sup> in their report for the year 2000, there are two sides to corruption. On the one hand, there is the receiver of the bribe and there is the giver of the bribe. One may receive because of need while the other may give because of greed. In the developing world corruption is to a large extent associated with the awarding of government contracts.

### **The Nature of Fraud and Corruption**

There are no accurate statistics in lesser-developed countries on the extent of fraud and corruption. Criminologists claim that a large proportion of financial frauds are never reported. This is due to tacit acceptance of corruption in government to companies being reluctant to report fraud because of the negative effects of such disclosure on their operations. In Zambia, the World Bank planned to have a survey undertaken in 1999 on the extent of fraud and corruption in the country. Parliament expressed alarm at this proposal and promptly had it stopped.

The principal source of information on corruption comes from the work of Transparency International. It is important to point out that what they produce is a perception index. Perception captures information on the opinion a selected group of individuals hold on the level of corruption in a country. It does not provide hard facts on the number of frauds committed or even on the number and nature of fraudulent offences reported to the police.



**Tablet: TI Corruption Index**

YEAR	2002		2001		2000		1999		1998	
	R	S	R	S	R	S	R	s	R	S
FINLAND	1	9.7	1	9.9	1	10.0	2	9.8	2	9.6
U.K.	10	8.7	13	8.3	10	8.7	13	8.6	8	8.7
USA	16	7.7	16	7.6	14	7.8	18	7.5	17	7.5
RSA	36	4.8	38	4.8	34	5.0	34	5.0	32	5.20
MALAWI	68	2.9	61	3.2	43	4.1	45	4.1	45	4.1
ZIMBABWE	71	2.7	65	2.9	65	3.0	45	4.1	43	4.2
ZAMBIA	77	2.6	75	2.6	57	3.4	56	3.5	52	3.51

R=Rank of Country      S= Perception Score      RANGE 10-0  
 10 = No corruption  
 0 = Maximum corruption

Source: Transparency International [www.transparency.org](http://www.transparency.org)

Table 1 contains the data on corruption for selected countries in the developed and developing world. The data consists of world rankings and the actual perception scores for corruption. Countries are ranked on the basis of the perception score, which varies from ten signifying minimal corruption to zero, which would be widespread and extensive corruption.

Finland has been ranked either 1 or 2 for the past five years. The scores for the United States and Britain have been reasonably stable. Zambia has a ranking of seventy-five and a perception score of 2.6 for the year. Five years ago its ranking was fifty-two and it had a perception score of 3.51. There has been a considerable worsening of the perception of Zambia as a corrupt country. This is due to the large number of corruption scandals reported in the media and the work of the anti-corruption commission. It appears that the ushering in of multi-party democracy in Zambia in 1991 has led to the widespread abuse of power by government ministers.

Table 2 contains alleged cases of fraud and corruption in Zambia. All the information in the table has been obtained from *The Post Newspaper* using the Internet and the *Times of Zambia*. All the five cases concern government operations and decisions of government. In Zambia the activities of government are quite pervasive and it is probably the most significant player in the economy. Government is a high purchaser of all types of supplies from oil to maize and is also the largest purchaser of services including the development of roads, airports and railways. Even though there has been some progress in the privatisation of state assets, there are a considerable number of parastatals controlled by government. It should be stated that government ministers tend to become actively involved in the decision-making and management of parastatals.

**Table 2: Cases of Fraud and Corruption in Zambia**

Entity Amount	Nature of the Fraud
US\$18,000,000	Oil contracted by State House goes missing
US \$600,000	Two ministers accused of taking a large sum of state money to be used for party political purpose
US\$160,000,000	Unaccounted sales proceedings in a parastatal company prior to privatisation
US \$26,000	Unaccounted expenditure in connection with the hosting of the AIDS Conference in Lusaka.
US \$20,000,000	20,000 ghost workers uncovered

Source: *Post Newspapers*, April - May 2001 and *Times of Zambia*, June 2003

The management of the parastatals tends to resemble civil servants whose job is to implement orders from government. There is also a blurring of the boundaries between the legislative and administrative arms of government. This position was stated and accepted as fact at the Lewanika\* tribunal hearings in the case of the sum of money taken for party political purposes.

In all six cases the government is accused of involvement in the misuse of funds or even more seriously, embezzlement. Only one of these cases has been fully investigated through a government tribunal. The judgment of the tribunal in the case of the misuse of state funds for party political purposes was that two ministers were guilty of gross abuse of office and should be asked to resign. The other cases are at varying stages of investigation, even though some of the events took place over two years ago. Some commentators do not hold out much hope of any significant remedial action being taken by government in any of the cases involving government ministers and State House.

### **Bribe Paying**

As stated above, for bribery to take place there must exist two willing and complicit parties. We have often heard of the statement, 'the Greedy North and the Needy South'. It is generally accepted that it is relatively easy to bribe public officials in Africa, principally because of the poor salaries they receive. What of the greedy organisations who take advantage of this situation. Transparency International has recognised this phenomenon and in 1999 they first produced the bribe payers index'. The index was updated in 2002. The index is compiled by asking respondents in developing countries how likely firms in the developed world are to offering bribes in the country of the respondent. Table 3 contains abstracts from the two surveys. The higher the score the less likely that a firm from that country will offer a bribe in a developing country. So for example, Australian firms are least likely to offer a bribe and Russian firms are the most likely. Other countries with low scores include China, South Korea, Italy and Malaysia. This is not to state that all firms from these countries will offer bribes. The index is one of perception and indicates the opinions of the respondents as the likely **behaviour** of the firms from those countries.

**Table 3: Bribe Payers Index**

COUNTRY	2002	1999
AUSTRALIA	8.5	8.1
SWEDEN	8.4	8.3
CANADA	8.1	8.1
UNITED KINGDOM	6.9	7.2
GERMANY	6.3	6.2
FRANCE	5.5	5.2
USA	5.3	6.2
MALAYSIA	4.3	3.9
ITALY	4.1	3.7
SOUTH KOREA	3.9	3.4
CHINA	3.5	3.1
RUSSIA	3.2	

*Source:* Transparency International [www.transparency.org](http://www.transparency.org)

It is also useful to ascertain what sectors of the economy in the developing world are more susceptible to bribe paying. Table 4 contains information, which may assist us with this question. Respondents were asked to name the two top sectors where the biggest bribes are likely to be paid. The frequency percentage indicates the number of times a specific sector was mentioned by a respondent. On this basis public works and construction followed by arms and defence are the sectors, which are likely to attract large bribes. These are also the sectors where governments are involved in awarding large contracts. The sectors of telecommunications, pharmaceuticals and property management would appear not to attract large amounts of bribes. The banking sector could also be said not to attract large bribes. This may be due to the fact that many banks in the developing world are subsidiaries of major banks in Europe and United States where there are strict rules against unethical and illegal behaviour and severe sanctions for any institution guilty of breaches.

#### **Bribery in Business Sectors - By size of bribe**

Sector	Frequency %
Public Works/Construction	46
Arms and Defence	38
Oil and gas	21
Banking and Finance	15
Real Estate/property	11
Pharmaceuticals	10
Telecoms	9

*Source:* Transparency International [www.transparency.org](http://www.transparency.org)

### **The Public Interest and Principles of Governance**

The citizens of a country expect their public servants and politicians to behave with honesty and integrity. They are entrusted with the people's money and are expected to manage it wisely. When there is a betrayal of the trust the citizens put in their elected and public servants, it is very difficult to win back the confidence. Unfortunately we are witnessing a lack of public trust in our politicians in Zambia. One can see this phenomenon being played out in the on-going debate over the review of the Republican Constitution. An OECD publication<sup>10</sup> puts the issue as follows:

Public service is a public trust. Citizens expect public servants to serve the public interest with fairness and to manage public resources properly on a daily basis.

There are three important principles of governance in the public sector that ought to be adopted by all public sector organisations including government ministries and departments. These are openness, integrity and accountability. These are now defined and discussed as enunciated by the International Federation of Accountants.<sup>11</sup>

Openness can also be described as transparency and is necessary to ensure that all the citizens and other stakeholders have confidence in the decision making processes of parastatals and government ministries including tender boards. Through transparency, the public can judge the quality of management in these organisations and are in a good position to demand accountability and remedial and timely action where necessary.

Integrity is based on honesty, objectivity and fairness. It particularly refers to the proper handling of public funds. There needs to be a proper control framework including appropriate checks and balances, to ensure that integrity is fostered.

Accountability can be described as the obligation to answer for a responsibility, which has been conferred on an entity or an individual. Usually it is achieved through the production of comprehensive and timely financial reports. Accountability is required in order to ascertain the performance of entities especially with their stewardship of the financial resources.

The successful implementation of these three governance measures in the public sector would go a long way to eradicating corrupt practices.

### **Presidential Housing Initiative<sup>12</sup>**

The Zambian government in 1998 established the Presidential Housing Initiative (PHI). It was intended to operate as a unit within the National Housing Authority (NHA). The main objective for establishing the PHI was to encourage the construction of quality houses and thereby increase home ownership among Zambians. It was expected that this initiative would lead to additional employment.

#### *Management "Structure" and "Control"*

It was the intention of government to amend the National Housing Authority Act to incorporate the PHI unit within it. This was not done and PHI operated like an independent entity although it was neither a statutory body nor a limited company. The President appointed a ten-member committee with the special assistant for press and public relations at State House acting as chairman. He also operated as the Chief Executive and he recruited the project manager, the accountant and sought officers from other government ministries. The Auditor General observed as follows:

1. There was no formal organisation structure.
2. There were no clearly defined roles and responsibilities of the officers.
3. There were no conditions of service detailing terms of engagement, recruitment and retention of staff.
4. No formal contracts of employment were signed between PHI and staff.
5. There were inadequate checks and balances in the manner in which payments were processed. The Chief Accountant left the employment of PHI and was not replaced. The chairman contrived to have cheques signed by the accountant and himself.
6. Since its establishment in 1998, PHI had never prepared a financial plan, annual budget or final accounts.
7. Tender procedures were in most cases overlooked or ignored especially where they related to major procurement of goods and services and the engagement of contractors.
8. There was poor record keeping at construction sites, block yard and PHI offices.
9. The PHI chairman committed government to financial agreements without seeking relevant government authorities.

### **Selected Problem Areas**

The audit report details a multitude of irregularities, some of which we have chosen to discuss in the following sections. As some of these issues are likely to be before the courts, we confine our exposition to recounting what the Auditor General has reported.

#### *1. Payments to Contractors*

Five contractors, whose contract sums were authorised by the National Tender Board amounting to K13 billion, were allowed to increase them by K3 billion without any satisfactory explanation as they were classified as fixed contracts.

Loss to the state K3 billion: two contractors (China Hainan and Sinetech Construction Ltd) were overpaid by K150 million. Loss to the state K150 million. Sinetech Construction Ltd was advanced K.400 million which it failed to repay.

#### *2. Bennie Mwiinga Construction Site*

Irregularities at the above construction site included the transfer of concrete blocks, cement and other building materials to the site of the Institute of Democracy and Industrial Relations Studies (IDIRS). The total value of the various losses sustained is estimated at K415 million.

#### *30 Purchase of Motor Vehicles*

Motor vehicles worth K.55 million were purchased by PHI but registered in the names of the PHI Chairman, Project Manager and Accountant.

#### *4. Hire of Motor Vehicles*

PHI hired motor vehicles for a cost of K3.5 billion even though no tender authority was obtained for the hire of the vehicles. The PHI committee expressed concern when they learned that the chairman declared interest in two companies, Lwenga Car Hire and APT Transport Limited. It appears that Shankondo Investments Ltd was closely

associated with the other two companies. These three companies were paid out a total of K2.2 billion, which represents 76 per cent of the total amount paid.

5. *Siavonga Construction Site*

A total of K1.000.000 was paid to a representative of the Chiefs in Siavonga with the objective of having 20 plots of land allocated to PHI for building. The PHI chairman subsequently wrote indicating that the plots should be allocated to Mulungushi Millennium Development Company instead. The former PHI chairman and the architect at PHI own this company at that time. *Payment for Consultancy Fees and Costs* of a total of K800 million was paid to architectural consultants for fees and expenses. There is no evidence that the PHI management committee approved the hiring of the consultants and no evidence of any contracts having been signed.

6. *Payment for Subsistence and Travel Expenses*

PHI paid out K94 million for travel expenses and subsistence allowances although there are no records of any of these expenses being authorised and incurred.

7. *Misapplication of PHI Funds*

The Auditor General reports that a total of K 7.7 billion funds belonging to PHI were misapplied. A total of K6.7 billion went on OAU preparatory expenses, the press desk at State House K776 million. Institute of Democratic and Industrial Relations Studies K160 million and miscellaneous matters K48 million.

The possible losses detailed above amount to K.4,859 million or US\$1 million. In addition irregularities in the handling of the PHI funds amount to K.11,255 million or US\$ 2.25 million. These figures relate only to the irregularities selected for this paper. There are a host of other irregularities including PHI involvement in OAU activities, sale of Presidential Villas, payment for goods and services, labour claims, recruitment of foreign labour force, air freight charges, delivery of building materials and the sale of newly constructed houses.

### **Conclusions**

The management of the Presidential Housing Initiative provides an excellent example of corruption and mismanagement in the public sector. The state lost a total of almost K5 billion and over K11 billion was paid out by PHI under irregular circumstances. Clearly, the organisation was out of control from inception and represented a cocoon of corruption.

There were no proper checks and balances and virtually all its activities were tainted with fraud and unethical behaviour. Conflicts of interests abounded between the Chairman and his companies and PHI. There also was a total lack of transparency and proper record keeping. Accountability was absent and it is not surprising that no audited accounts were prepared for four years. We also must draw attention to the ineffective role of the office of Auditor General in preventing gross financial abuses of public funds. While post-transaction audits are necessary to establish the level of compliance with public accounting regulations, they are not sufficient. The office of the Auditor General ought to have a supervisory role over state expenditures as they are occurring. It should not be possible to establish a governmental unit, which has no legal status, and its Chairman has unfettered access to substantial funds.

Also, no expenditures should be made without proper authorisation based on agreed budgets and having the necessary banking controls in place. Where irregularities do occur, there should be mechanisms in place to correct them as soon as possible in order to minimise the losses. A whistle blowers charter for the public sector in Zambia needs to be developed and the various organs of government involved in anti-corruption measures need to be encouraged to be more independent in tackling the corruption epidemic gripping the country.

Clearly, there is an urgent need to restrict unlawful political interference and meddling in the affairs of the executive branch of government. Civil servants should be properly protected from dismissal from their posts when their only offence is on the basis that they are observing government procedures. The question of whether another PHI could be formed and operated in Zambia requires consideration. We cannot say that these abuses will never happen again. Under the present constitutional arrangements the office of President has considerable powers. So the levels of corruption in government are largely a function of the level of honesty and integrity of the incumbent in the Presidency. For the sake of the country, it is important that the office of the President has appropriate checks and balances.

It will take substantial and sustained efforts to reduce corrupt behaviour to tolerable levels. Zambia has made a good start under the new deal government, but until the major players involved in corruption are given substantial custodial sentences, the trust, which the citizens have lost in the politicians and civil servants, is unlikely to be restored.

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- <sup>10</sup> OECD Building Public Trust, Ethics Measures in OECD countries. PUMA Policy Brief No. 7, September 2000.
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# **The Impact of Cost Sharing on Demand for Basic Education in Zambia**

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## **Introduction**

In its pursuit of socialist policies, the Zambian government attempted to create a welfare society in the Second Republic (1973-90). This was done by the state assuming control of all the commanding heights of the economy through the creation of monstrous parastatal companies. Such companies discouraged competition and stifled private initiative in business and industry. The provision of social services like health and education were also taken over by the state. When Oil Producing Countries (OPEC) hiked oil prices in 1973 and 1979, the industrialised countries responded by reducing the world market prices for all non-fuel exports which included copper. This price reduction in raw materials like copper translated into low export earnings and very high import bills of oil, machinery and equipment for developing countries. On the international scene, oil producing countries deposited their excess dollars from oil proceeds into Western banks. Meanwhile, Zambia and other third world countries with depressed economies and struggling to keep such economies afloat were encouraged to borrow from the Western banks through the IMF and World Bank at very high interest rates which they did thus falling in a debt trap. The IMF/World Bank sanctioned loans were given with conditionalities aimed at restructuring the economies of recipient countries.

## **How SAP Started in Zambia**

Early in 1980, with inflation exceeding 100 per cent, and an unsustainable balance of payments and an inability to meet its foreign debt obligations, Zambia joined other developing countries as a recipient of structural adjustment loans from the World Bank. The background for Zambia is that its economy took a nose dive in the mid 1970s when the rise in world oil prices resulted in a sharp drop in the world's raw materials which included copper, Zambia's economic backbone. In an assessment of Zambia's position M.J. Kelly says since then, irresponsible borrowing by the Zambian government, irresponsible lending by Western banks, inappropriate policies, pursuit of socialist welfare state (in 1973 - 1990) and inefficient state participation in the economy, quickly transformed Zambia from enjoying middle level economic status to being one of the poorest countries in the world, caught in a typical balance of payment impasse: virtually no foreign reserves, heavily dependent on imports and resources from exports swallowed up in partial servicing of debts.<sup>1</sup> The problems were such that by 1982, the only answer seemed to lie in International Monetary Fund (IMF) prescribed stabilisation and World Bank directed structural adjustment. The Bank and the Zambian government believed that adjustment loans and economic restructuring conditionalities when applied correctly **would** set the Zambian economy on the firm road to recovery thereby improve the living **conditions** and quality of life for the people especially the supply and delivery of social services like health, and access to quality education facilities which had deteriorated to dismal levels. For the next eight or ten years during the UNIP government, Zambia had an on-off relation with the two institutions with phases of IMF-Bank orchestrated market and liberalisation **measures** regressing to phases of tight government control, when adjustment conditionalities were found to be economically too tough and politically too hazardous. This was the case in 1987 when Dr Kenneth D. Kaunda ushered in the concept of *'Development from our own resources'*



and economic relations with IMF and World Bank were broken following food riots in the country due to decontrol of mealie meal prices.

It is acknowledged that, economic stabilisation and adjustment measures in Zambia have brought in a high level of financial discipline which has in turn reduced the government's fiscal deficit and the country's inflation rate, this discipline transformed the budget from its deficit pattern maintained each year since the early 1980s into a surplus in 1996 and 1997. The inflation rate was also reduced from an annual average of 197 per cent in 1992 to 19 per cent in 1997. These improvements were realised largely because of the introduction of the cash-based budget in 1993, whereby government expenditure was incurred only if revenues were actually in hand.

These successes were, however, bought at a high social price in that measures to curtail government expenditure to achieve a balanced budget have also negatively impacted on the provision of social services. This has been more so that such measures have been coupled with the need to share costs in the provision of social services. When applied to the education sector, adjustment objectives have been achieved by curtailing expenditure on the financing of education. The reductions in public resources for education had reached such low levels and with the attendant negative consequences that one may legitimately ask whether the economic achievements signify real success or something else if we relate or measure progress in terms of human development.

As a consequence of pursuing inappropriate economic policies, low export earnings and high import and fuel bills, the Zambian economy in the late 1980s nose-dived and living conditions for the people deteriorated to dismal levels. Provision of free social services like health and education became too heavy a burden for government. In the education sector for example, the expanding eligible school population soon outstripped governments' ability to meet the required services. Strategies to contain the situation at the primary school level such as double and triple sessions and over enrolling pupils soon reached their limit while the supply of learning and teaching materials in schools just dried up.

### **The Role of Government in the Provision of Basic Education**

It is generally recognised that government should finance all public goods like 'clean' air which benefit all citizens because individuals and private enterprises are unwilling to finance such services or goods as they cannot stop others who do not pay from consuming such goods. Business enterprises and individuals on the other hand, do not need persuasion or encouragement to purchase private goods because they will have exclusive enjoyment rights to the goods and services.<sup>2</sup>

Education is both a private and public good and has both private and public returns. The willingness of individuals to invest in education is usually in relation to the benefits or returns they expect from the investment. Research evidence indicates that social returns to investment in education are higher at primary and basic education levels in developing countries.<sup>1</sup> We note that education at all levels has private and public costs, and that not all citizens can meet the private costs of education. This is more so when the perceived private returns to education are low as is the case at primary and basic education levels.<sup>4</sup> In view of such evidence, governments in developing countries must finance basic education because the benefits that accrue to society from it are more than private returns.

Education is a known critical factor in developing skills, knowledge, values and competencies that are necessary for economic development and social welfare. Given such a role which education plays, it can be an effective tool in equalising economic, social and Political opportunities of citizens if it is accessible to all at the same quality levels and quantities.

Education has the potential to level the ground for all citizens to have fair access to the opportunities prevailing in a country if citizens are helped to develop their inert potentialities. Development and realisation of the inert potentialities of all citizens can be possible through the provision of quality basic education which should be the responsibility of the state. As a public good, basic education has very high social benefits and for this reason, government should provide and finance it. The state should develop and finance quality basic education because it has an obligation to citizens as an equaliser of opportunities and basic education is an effective tool in realising such an objective.

In a liberal democracy, like Zambia, if educational provision were left entirely to private providers, the poor in society would not have it. If government does not intervene in the provision of basic education, the level of investment in it will be insufficient especially in areas where returns to private investment are low. For the sake of social and economic justice, it is incumbent upon government as a developer of all infrastructure to develop and finance basic educational institutions in the whole country.

The Zambian government's concern in the provision of education arises from three main concerns namely: to protect the rights of individuals, to promote the social and economic well-being of all citizens and, to achieve a good quality of life for every citizen (MOE, 1996). It is these three concerns which formed the philosophical rationale of free government provision of education at all levels in Zambia in the Second Republic from 1973 to 1990. The pursuit of these concerns particularly at the basic education level have since the 1990s been constrained and compromised by economic restructuring measures embarked on from 1991 onwards.

From 1991 onwards, the Third Republic was ushered in and Zambia became a liberal democracy. In a liberal democracy, government invites other partners and providers of social services like education and health to own and run private institutions as equal partners. These other social providers and partners are free to charge fees for the services they provide. The philosophy of liberal democracy characteristic of the Third Republic gave way to the government to introduce cost sharing and cost recovery measures in public education and health institutions.

### **The Principle of Cost-Sharing in Basic Education in Zambia**

The underlying ideological objectives of SAP are to push for capitalist economic reorganisation in which the market forces are the determinants of the mode of production, distribution and consumption. While economic difficulties and the population growth rate at 3.2% (Kelly, 1998) are some of the factors contributing to the deterioration in the education system, it is also equally true that SAP has acted as the dominant force that has significantly influenced the logic of decision making process in education throughout the 1980s and 1990s. *'The premise of the logic is for productive sectors of the economy to take a higher priority in investment while social sectors like education should rely on the support of the users for resources.* In 1987, the Zambian government clarified its position on the issue of cost-sharing and cost-shifting in education by declaring that *the responsibility for the education of children rests primarily with the parents and it is them who must ultimately provide the necessary resources for education* ' .

The introduction of cost-sharing in education by the Zambian government was approved and given legitimacy by the IMF in February 1992. The IMF board argued that cost-sharing in the provision of social services like health and education are a constitutive part of structural adjustment programme. *'In the education sector, one way of strengthening the financial base is to introduce user-fees for the beneficiaries of secondary and higher education and institute cost-effective measures.*<sup>18</sup> Although the World Bank target, in cost-sharing approval for

Zambia was at secondary and tertiary levels, presumably due to promised higher private returns at both levels, unfortunately, during implementation the Zambian government extended this conditionality to primary education. Both the World Bank and the Zambian government pretended not to have noticed this error at the implementation stage of cost-sharing possibly because it suited their agendas and did not create harm to both. This scenario is reminiscent of the Ostrich which buries its head in the sand to avoid problems around it and hoping that when finally its head emerges from the sand the problems surrounding it will have gone away. Unfortunately, for the Zambian government, the attendant problems of SAP and Cost-Sharing on basic education did not go away but had a devastating impact on the school system during SAP implementation process. This extension has adversely affected both supply and provision of education since the 1980s and through to the 1990s.

### **Cost-Sharing and Reduced Demand for Basic School Opportunities**

In a paper on education undergoing structural adjustment: The case of Zambia. Kelly points out that at the primary school level, 'cost-sharing has contributed to a severe decline in school participation. For example, completion rates are down from almost 100 per cent in the mid 1980s to 75 percent in the 1990s; there is stagnation in enrolments in a population that is growing at an annual rate of 3.2 percent; one third of the eligible 7 - 13 year olds are not attending school (some 600 000 children not in school); and 10 - 15 per cent of final year primary pupils not sitting for the crucial secondary selection examination because of inability to raise the prescribed examination fees (about US\$3). Research evidence attributes all these woes to economic causes arising due to the cost-sharing conditionalities of SAP<sup>10</sup>

The problem of reduced demand for primary education in both urban and rural areas of Zambia reached alarming proportions in 2000 onwards. In some rural and remote areas, parents completely withdrew their children from primary schools because they could not afford the cost-sharing demands placed on them by schools. Acknowledging the severity of the problem, in February 2002, the President of the Republic of Zambia announced the Free Basic Education (FBE) policy that would apply from grades 1-7 of the education system. The policy was introduced to ensure that every child has access to basic education. Free basic education means that user fees have been abolished in all government middle basic schools. In particular, this means that no child should be denied access to school on account of not paying the Parent Teachers Association (PTA) levies or any other fees that pupils used to be charged before the inception of the FBE policy.

The FBE policy also entails that basic school pupil enrolment is unconditional and must not be linked to contributions of items such as cement, reams of paper, slathers, candles, detergents, and mops.

### **Reduced Teaching/Learning Material Supply in Basic Schools**

When applied to the education sector, adjustment objectives have been achieved by curtailing Public expenditure on education. For example, towards the end of the Second Republic, severe reductions in government expenditure on education were experienced. According to the MOE (1992: 66), *'the total expenditure as a percentage of the total public budget for the whole education system in Zambia dropped from 12.1 per cent in 1970 - 1985 to 9.4 per cent in 1986-1989. The recurrent education expenditure as a percentage of the recurrent public expenditure also dropped from 14.2 per cent in 1970 - 1985 to 10.2 per cent in 1986 - 1989. The capital expenditure on education as a percentage of the capital public expenditure also dropped from 6.4 per cent in 1970 - 1985 to about 4.4 in 1986 - 1989'*<sup>33</sup>

Due to cuts in public expenditure on education, many primary children who attend school receive low quality education because of among other things, overcrowded classrooms and lack of basic teaching/learning materials such as textbooks, paper, chalk, dusters and other critical accessories to learning.

Within the education sector itself, spending on teaching/learning materials decreased proportionately over the years and the worst hit was primary education. For example Lungwangwa<sup>12</sup> states that at the level of teaching/learning materials in primary schools, the government withdrew responsibility to it as far back as 1986. Kelly actually writes that at the primary level of education, salaries and allowances for educational personnel absorb an ever increasing proportion with an ever decreasing proportion remaining for all other costs, especially for purchasing teaching/learning materials and classrooms per cent in 1975 to 95.6 per cent of the recurrent expenditure in 1986. This scenario indicates that about 96 per cent of the recurrent expenditure allocations had mainly been for personal emoluments (salaries and allowances for educational staff) leaving little or nothing for teaching and learning materials.

In addition, the ERIP Report of 1986 stated that five times the actual expenditure on education should have been spent as a realistic budget for the necessary teaching/learning materials in 1985.<sup>14</sup> In another example, Kelly (1991: 54) described the K0.63 allocated per pupil as 'virtually worthless' when compared to the cost of educational supplies. At that time K0.63 was enough to just buy a pencil and one or two exercise books but not enough to buy a textbook." The provision of Education For All (1986) indicated that K1 1 per pupil should have been spent as a 'realistic budget' for the necessary teaching/learning materials in 1986 as distinct from the actual government allocation of K2 to each primary pupil in that year. The balance of K9 expenditure needed for teaching/learning materials was shifted by government to pupils and their parents as cost-sharing. Finally the Zambia National Assessment Project - 2001 also indicated that *'the availability of teaching resources in primary schools was meagre in both rural and urban areas. In particular the report indicated that 28 per cent of the schools did not have enough teachers' tables in urban areas. 41.2 per cent of the head teachers in urban schools also stated that security was poor'*

### **Dilapidated Basic School Infrastructure**

Another impact of cost-sharing measures and cuts on capital public expenditure in education is on basic school infrastructure. It has been observed that the amount of money spent for the upkeep, maintenance, repairs and other capital projects has been declining at all levels of the education system in Zambia over the past years. For example, *'the capital expenditure for education dropped from 6.6% in 1970-1985 to 4.4% in 1986 - 1989'*<sup>17</sup> (MOE, 1992:66). In 1984, the amount of money spent on the maintenance of primary schools in the Lusaka region was K264 per primary school and in the Copperbelt region, it was K212. In Luapula, the amount was as low as K36 for each primary school. In the Eastern region, it was K22 per primary school. The lowest was in the North-Western region where K3.339 was spent on maintenance materials and upkeep for 488 primary schools.<sup>18</sup> (Kelly *et al*, 1986).

The consequences of low 'government funding and cost-sharing measures in basic education are also highlighted in *The provision of Education For AH (1986)* which describes the levels of school maintenance as follows:

They (stake holders) speak of cracked walls and floors, termite infested buildings, broken or missing doors, windows without glass ... rusting metalwork, unpainted structures, blocked toilets, leaking water and sewerage pipes, defective and dangerous electrical fittings, broken furniture in secondary schools, almost none at all in many primary schools ...<sup>19</sup>.

Other operations of basic schools in Zambia have also been affected. Many schools have faced difficulties in paying water and electricity bills. As a result, a number of schools, especially those in urban areas have frequently gone without water and electricity services.

In spite of this paper's highlighted problems affecting demand for basic education in Zambia, it is also equally important to acknowledge government efforts to improve basic education delivery during the same period. Working in unison with its co-operating partners, the MOE has tried to improve the supply of teaching/learning materials and other needed items in schools. Kelly indicates that about 46 000 desks were distributed among 4 000 schools and about 1.4 million books reached a number of schools in 1996. However, he indicated that much more needed to be done even after the above supplies were made because critical shortages in many areas still existed. For example, the shortfall of desks in schools was about 70 percent in Luapula and 40 per cent in Southern Province. Five or more pupils were still sharing a book even after the 1.4 million books were supplied. Other teaching/learning materials needed to support instruction by teachers and active learning by pupils were universally in short supply. In addition, a quarter of the country's classrooms lacked a usable board and more than a quarter of teachers did not have chalk. About a third of the country's classrooms did not have any kind of wall chart, map or atlas and 40 per cent of the teachers did not have a dictionary while more than half did not have a desk and a chair for the teacher. In addition, approximately one-third of the schools did not have safe water while toilet facilities were inadequate in both rural and urban schools.<sup>20</sup> Over one-quarter of the classrooms were pole and mud structures while about half needed rehabilitation. Apart from reduced school opportunities, arising from reduced capital expenditure, Kelly with Msango and Subulwa, report that the school infrastructure and facilities are dilapidated, toilets, desks and water facilities are insufficient and (not available in some cases) in many primary schools.<sup>21</sup> The Zambia National Assessment Project 2001 also indicated that the availability of teaching resources in primary schools was meagre in both rural and urban areas. In particular, the report 'indicated that 2H5 of the schools did not have enough teachers' tables in urban area. 41.2% of the head teachers in urban schools also stated that security was poor'.<sup>21</sup> Clearly then, reduced capital expenditure has affected supply of basic education in Zambia.

### **Cost-Sharing Reduced Quality and School Enrolments**

In a study on school enrolments, Bredie and Bee Harry (1998) argue that there seems to be a strong correlation between economic deterioration and declines in school enrolments. They note that in the 1990s, a number of African countries experienced a drop in household disposable incomes and a decline in employment prospects for educated workers. At the same time, there was a decline in the public resources allocated to the education sector, and in enrolments.<sup>23</sup>

Although a robust correlation between education sector budgets and enrolments has not been established, reduced public spending on education is widely held responsible for the decline in education enrolments. This is because reduced public spending on education shifts responsibility for meeting the direct and indirect costs of education to parents and communities who due to shrinking incomes and deteriorating economic circumstances fail to meet such costs resulting in withdrawal of children from schools.<sup>24</sup>

Under investment in the instructional dimension of education over a number of years as has been the case in Zambia in the 1990s is associated with low levels of learning achievement for the majority of pupils. Research evidence from the National Assessment Study of 1999 among Grade 5; MLA of 1999 among Grade 4 and Sacmeq of 1995 among Grade 6, all reveal that 'levels of learning achievement are low right across the country, in all grades and in all curriculum areas. Very little learning of the type expected by society is occurring in Zambia's schools' (MOE, 2000). This low learning achievement reported in Zambian primary schools

erodes the public's confidence in the education provided Conclusion which accounts for the disillusionment with schooling, hence withdrawal of children from schools.

### Conclusion

Should beneficiaries of primary education be required to pay cost-sharing and user fees? Going by the rate of return analysis on education by the Psacharopoulos,<sup>25</sup> social returns from primary education in developing countries are higher than private returns, therefore more public resources should be invested in primary or basic education and exempt or reduce the direct and indirect costs to the beneficiary. On equity grounds, primary education is the only education which is available to the majority. It should therefore be made more accessible to the people by government increasing budgetary allocations to it than secondary and higher education. Zambia can take a leaf from Williams who argues that the more universal a level of education, the less justification there can be for charging user fees; the less universal the education level, the more justification there can be for user charges.<sup>26</sup>

The United Nations Declaration on Human Rights Article 26 says '*Education shall be free, at least in the elementary and fundamental stages*'. Primary education is elementary and Zambia is a signatory to the UN Charter. What is at stake in basic education is the satisfaction of a basic human right, which at the same time, brings extensive social benefits.

From the foregoing, it is clear that society has a responsibility to facilitate, promote and ensure that every child in Zambia has access to basic education of good quality. To realise this objective, we have to increase budgetary allocations to the primary or basic education sector and in this regard, we welcome the recent government policy announcement by Education Minister Brigadier General Miyanda abolishing statutory and examination fees in all government primary schools, and the BESSIP initiative to revamp basic education.

*I take this opportunity to officially inform this gathering of the decision we have taken to abolish grade seven examination and school fees in Government primary schools with effect from January, 2001.*

In addition, starting January, 2001, government will be providing US\$500 annual grants to all primary schools and will spend more than US\$300 million out of US\$500 million budgeted for in the BESSIP programme that will run for four to five years in rehabilitating basic schools'.<sup>27</sup>

Government statutory fees in primary schools comprise school fund pegged at K500.00, a general purpose fund pegged at K5000.00. While examination fees were pegged at K1,000.00 per subject which added up to K7,000.00. In addition, schools charge various user fees and PTA levies that vary from school to school and most families are failing to pay this money.

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# **Cooperating Partners and the Delivery of Educational Services to Children with Special Educational Needs in Zambia: ESSP III Case Study**

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## **Introduction**

This paper is an attempt to highlight some of the visible impediments that have been observed over time, in the delivery of educational services to children with special educational needs in Zambia. The paper discusses how some officials from donor countries had ensured that the financial resources from their countries purported to support special/inclusive education through Education Sector Support Programmes in the Ministry of Education were siphoned back to their countries, under the pretext of 'keeping a hand' on the funds so that they are not plundered. Under the pretext that there were no 'qualified Zambians' to run the services effectively, foreign nationals had succeeded in making the Ministry of Education believe that there were no qualified Zambians to run these services. However, to the contrary, the Ministry of Education was aware of the existence of these Zambian experts because many such human resources had been trained at Zambia Institute of Special Education (ZAMISE), The University of Zambia and other various universities and colleges abroad. These same foreign officials had also caused the financial resources that had been agreed upon bilaterally between the Government of the Republic of Zambia and their countries to be sent back to their countries through dubious 'consultancies' concocted to hoodwink the Ministry of Education. They succeeded in this plot. They established unsupervised offices both in Zambia and their own countries to control expenditure of the financial resources secured through the bilateral agreements. They made sure that the offices which they had created were manned by the nationals of their countries, who were, in most cases, incompetent and unqualified for the positions they held. They took up such positions as 'Programme Co-ordinator, Associate Advisor, Financial Advisor, and Building Advisor' to the Ministry of Education. Some offices and manpower had been established in their home countries where personnel such as 'Home Programme Co-ordinators' had been recruited. These so-called experts both in Zambia and the donor-countries drew salaries from the same purported financial resources to support the education of children with special educational needs. Their Zambian counterparts were often those who were not experts in the areas of operation. They actually had absolutely no control in whatsoever happened in these watertight controlled donor-cartels.

## **Chronology of Delivery of Educational Services to Children with Special Educational Needs in Zambia**

Education for children with special educational needs (CSEN) has been in existence in Zambia for slightly over 100 years. The first attempts to educate children with special educational needs were made by Mrs Hofmeycrand Ella Botes, wives of Dutch Reformed Church missionaries, at Magwero, Chipata in early 1900s. Following the early widespread success story of this service, other philanthropists and missionaries from Europe established schools and centres for children with special educational needs. Sixty-six years later, the Zambian government realised that it was its responsibility to educate children with special educational needs. Through a Presidential decree, the Ministry of Education was mandated in 1971 to take responsibility of this very important portfolio. With this injunction, a college to train teachers was established.

In addition to this, an inspectorate for inspectors to inspect institutions for children with special educational needs was established at the Ministry of Education Headquarters in Lusaka. Since the take-over of service delivery by the government and apart from 100 or so units running in basic and secondary schools, the Government of the Republic of Zambia had not constructed any schools for children with special educational needs at the time of writing. The existing schools for children with special educational needs were all run by missionaries, private and Non-Governmental Organisations. The only inputs from government were recurrent expenditure and teachers' salaries.

Definition of special educational needs has eluded many scholars. Many countries and scholars have defined 'special education' to suit their own economic-environmental situations. Legality has also played a very big role in defining this type of education. For example in countries like Zambia where no law exists, a child with special educational needs, according to the Ministry of Education in Zambia, is defined as an individual who:

- (i) has a physical, hearing speech or visual impairment;
- (ii) is significantly different from others mentally, whether by being very bright, being a slow learner or being severely impaired mentally; or
- (iii) is socially maladjusted or emotionally disturbed.

These definitions given by the Ministry of Education do not comprehensively cover what special education really is. For the purpose of this paper, however, the definitions as given by the Ministry of Education above shall be considered.

Confusing numbers of how many CSEN there are in Zambia has contributed to the unclear aims of educating and delivering support services to them. According to the estimates of World Health Organisation (WHO), 10 per cent of every population in any society comprises CSEN. Central Statistics Office (CSO, 1996) estimates that there are 951 600 people with disabilities and about 2 per cent of these people are children with special educational needs.

The earliest efforts to ascertain the exact numbers of CSEN was carried out between 1981 and 1983. Although these endeavours were made, there were still no reliable data on prevalence, nature and distribution in Zambia. Because of limited identification and assessment services, many likely CSEN could not be reached.

Education in Zambia reaches a very small proportion of children with special educational needs. It is believed that only about 25 000 children with special educational needs are found in any form of education (special schools, integrated units and others). Kalabula (2000) postulates that there were about 16000 - 25000 of children with special educational needs who required special educational services. As at 1996, the following numbers of children with special educational needs in the four main categories (visually-impaired, hearing-impaired, physically-disabled and learning disabilities) were believed to have been enrolled in special schools, special units and regular classes.

**Table 1. Number of pupils in special needs education programmes at basic school level in public institutions and government-dependant basic schools in 1996.**

	<b>Special schools</b>	<b>Special units</b>	<b>Reg.</b>	<b>Class Total</b>
Visually-impaired	411	81	3 967	4459
Hearing-impaired	237	.	4412	5089
Physically-disabled	684	4220	.	4904
Learning disability	316	2178	.	2494
<b>Total</b>	<b>1 648</b>	<b>2 699</b>	<b>12 599</b>	<b>16 946</b>

Source: Ministry of Education Planning Unit (1996)

The figures in Table I above could however be, highly exaggerated. Although inclusive, education was being tried in some schools on the Copperbelt and other districts of Zambia, it was difficult to believe that a staggering number of 12 599 were children with special educational needs and were being taught in regular classes. Many practical questions such as who taught children in these regular schools; who distributed learning resources to children with special educational needs enrolled in regular classes; how were they obtained; had no answers.

**Table 2: Children with special educational needs in basic schools in 1999**

	<b>Boys</b>	<b>Girls</b>	<b>Total</b>
Visually-impaired	161	134	295
Hearing-impaired	276	210	486
Physically-disabled	228	220	448
Learning disability	192	147	339
<b>Total</b>	<b>857</b>	<b>711</b>	<b>1 568</b>

*Source:* Ministry of Education Planning Unit (1999).

When a comparison of the number of children with special educational needs believed to be receiving education in special schools, units in basic schools and regular classrooms, in 1996 and 1999 was made, it was noticed that there was great disparity. If what Planning Unit reported in 1996 was true, then it became very difficult to understand where all of a sudden 15 378 children with special educational needs had gone. Did they all complete school or had overcome their disability?

### **Genesis of Education Sector Support Programmes (ESSP) in Zambia**

During the early seventies, the national economy began to dwindle. The sagging economy made the delivery of public services by the government to its citizens very difficult. The first category of these citizens to be adversely affected, were without doubt, children with special educational needs. As a consequence of this, cooperating partners had to be sought. Scandinavian countries took a lead in the provision and delivery of educational services to children with special educational needs through the Norwegian Development Agency (NORAD), Swedish International Development Agency (SIDA), Danish International Development Agency (DANIDA) and Finnish International Development Agency (FINNIDA). Apart from these cooperating agencies from Scandinavian countries, UNICEF and UNESCO also played a considerable role in ensuring that the services for children with special educational needs were provided. The continued involvement in special needs education by the Scandinavian countries seemed to have led to the development of some kind of politicisation and ownership of these services by some particular countries. The entrenchment of the thinking alluded to above seemed to stem from the beliefs that:

- (a) Zambia had insufficient number of trained special education teachers.
- (b) Inclusive education pilot studies carried out in Kalulushi were succeeding.
- (c) Attempts made earlier to start projects in special/inclusive education had failed.
- (d) Only foreign experts could make the grim situation in special/inclusive education turn around.
- (e) If Zambian specially-trained teachers manned the programmes in special/inclusive education, there would be no progress.

The above school-of-thought seems to have consolidated the development and politicisation of special/inclusive education by some particular Scandinavian countries. This type of thinking culminated in the establishment of Education Sector Support Programmes (ESSP), which graduated into phases after discovering the benefits enjoyed by their nationals in the first programmes.

Although it is difficult to generalise about the role of bilateral donors in influencing education policy, it is possible to see their intent. It is a fact that they vary tremendously in their approach, beliefs and attitudes. This is part of the challenge facing government ministries and individual professionals who may want to generalise about the interest of these donors.

Under the Structural Adjustment Programme, the Zambian Government had paid among other issues, special attention to the development of the education sector. Since only Finland had been involved in supporting education in Zambia from 1974 to 1990, when Practical Subjects were introduced in primary schools, the onus of involvement in the Education Sector Support Programme naturally fell into the hands of the Finnish Government. This was done through Foreign Affairs, under the spending agent based at a Finnish Institution.

As a consequence of the success story of Practical Subjects as reported by that country's Ex-Post evaluation and other support rendered to Educational Broadcasting Unit, Finland and its nationals got entrenched in the education sector in Zambia. The Finnish nationals found themselves embroiled in Teacher Training for Special Education (1974 -1983), and the Zambia Educational Materials Project) 1985 - 1998). Finland's Development Organisation intensified the support to education in 1991. Following the project identification for Education Sector Support Programme taken by Finland in 1990, enough ground was laid for the Education Sector Programme to take-off in three phases.

### ***Phase I***

In phase I, special education was supported under Sub-Project 10, which included the Ministry of Education Headquarters, The University of Zambia and Lusaka College for teachers of the Handicapped now called Zambia Institute of Special Education (ZAMISE). Under this programme, control of finances was done in conjunction with the Ministry of Education and the cooperating partners. However, most sensitive control power and decision-making lay in the hands of 'experts' from Finland.

### ***Phase II***

During this phase (1996 - 1999), the aim of ESSP was to consolidate the results seemingly achieved during the 1991 - 95 period. To ensure the substantiality of the work done in Phase I, the number of colleagues or experts from Finland also correspondingly increased and the grip on money control power escalated. Sub-Project 6 supported Teacher Education for Teachers of the disabled at Zambia Institute for Special Education and The University of Zambia's Department of Educational Psychology, Sociology and Special Education (EPSSE).

The administrative structure of ESSP was renewed to give it a Zambian face. This looks like this type of ownership as envisaged by the experts from Finland was cosmetic. The actual intent was to make other stakeholders believe everything was working well while this was not the case. According to the author's strict observations made from the experience of working with many colleagues or so-called experts from Finland, they had a tendency of working with the topmost managers in any organisation or government so that lower-level managers were incapacitated. In the Ministry of Education for example, they belaboured to have the Permanent Secretary chair the Supervisory Board, who according to them was 'the highest organ' in the administrative structure of the Ministry. The Steering Committee, believed by them to be the main implementing body, could also, only be chaired by the Deputy Permanent Secretary, who they understood had the executive function of the Ministry of Education. The lowest rung in

the administrative structure was the Sub-project Committee which actually acted as a link between the 'powers-that-be' and the beneficiaries in the delivery of services to children with special educational needs.

### ***Phase III***

In responding to the priority needs of the Ministry of Education, Finland which posed as very specialised in the education affairs in Zambia, due to its long history of involvement in the educational affairs of children with special educational needs, opted to support special/inclusive education development in Zambia. The thinking of the Finns about the situation culminated in embarking on ESSP III from 2000 - 2003.

The objectives of the year 2003 under this phase were set as follows:

- (a) Strengthen the capacity of the District Education Boards and District Education Standards Offices in the planning, implementation and monitoring of the special inclusive education activities.
- (b) Increase awareness at all levels, including community level, on inclusive education and early childhood care and development.
- (c) Improve capacity building among Ministry of Education and line ministries and other stakeholders on special/inclusive education.
- (d) Increase teachers' knowledge and skills on inclusive schooling and practices through training in order to reduce barriers of learning.
- (e) Develop pedagogical assessment instruments, guidelines and a system to help teachers assess and support children's learning processes.
- (f) Increase access to learning of school-age children with special educational needs.
- (g) To improve quality of learning by providing appropriate teaching and learning materials and equipment.
- (h) Improve monitoring and evaluation systems and research.

### **The Priorities and Targets**

ESSP III set the following priorities:

- (i) capacity of Provincial and District Steering Committees;
- (ii) community sensitization;
- (iii) teachers' in-service training;
- (iv) production of pedagogical assessment instruments and systems;
- (v) production of teaching and learning materials; and
- (vi) strengthening of collaboration with relevant stakeholders such as line ministries, cooperating partners, NGOs, colleges, universities-linked special/inclusive education.

The targets and indicators set under this programme were excellent. What was not clear was how much had been achieved. A thorough search needed to be carried out. What was clear was that relevant local specialist special educationists were not used. If they were, then non-

specific professionals were used.

### **Outcomes of these ESSP Phases**

As alluded to earlier, the service delivery to an estimated number of more than 350 000 children with special educational needs (Kalabula, 2000) in Zambia had been hindered through actions by cooperating partners. Funds purported to support educational service delivery to children with special educational needs, had been used to sustain nationals of these countries who had

occupied all the strategic positions, controlled the funds in the Programme, to make sure that they benefited individually and severally from it at the expense of children with special educational needs. Nationals from these countries had been supported with expensive vehicles and other fringe benefits to make their work easier while their Zambian counterparts did not even have any adjustment to their salaries and/or allowances to motivate them.

The most saddening spectacle, was the manner in which one named educational institute in Finland managed to hoodwink both the Zambian Government and Foreign Affairs in Finland into believing that only Finnish consultancy teams and consortiums were capable of running ESSP III in Zambia. The Finnish consultants and consortiums won the bid and gained control of the financial resources, which found their way right back to Finland and were being kept and controlled from a Finnish Institution. All the offices established in Zambia and Finland were being run by the Finnish nationals, whether they were qualified in their field of operation or not, to the detriment of the sidelined Zambian experts who had had a lot of training and experience in education service delivery to children with special educational needs. On two occasions during the life of ESSP III, students from Finland carrying out research for their Master's degrees had been used as 'Associate Advisors' to the Zambian Government on special/inclusive education. To illustrate, the tables below indicating only one small portion of what happened during the three phases, may help to explain how the financial resources purported to help children with special educational needs in inclusive schools did not benefit the intended beneficiaries.

**Table 3: Staffing of ESSP III (Finnish Nationals) 2000 - 2003**

<b>Programme Coordinator</b>	<b>(Four-year contract based in Lusaka)</b>
<i>Building Advisor</i>	(One year contracts moving from one foreign national to the other). For example there have been four Building Advisors and two Zambian counterparts at the end of the project.
<i>Financial Advisor</i>	(One to 1.5 years contracts where foreign nationals take turns) Two Financial Advisors at the end of the Project. No Zambian-counterpart but one full-time employee from outside MOE
<i>Associate Advisor</i>	Formerly referred as Consultants for Special Education (2x2 year contracts taking turns among foreign nationals). At the end of the project there will be four Associate Advisors. Two based in North-Western and two in Western provinces of Zambia.
<i>Home Programme Coordinator</i>	(One year contracts based in foreign country)

The human resources listed above did not seem to have any special qualifications that the Zambian human resources did not have. For example, the 'Associate Advisors' did not seem to have more particular special qualifications in matters of special/inclusive education in Zambia, than the local special educationists. The University of Zambia, the Copperbelt University and other technical institutions had trained very capable human resources, who, when they went abroad had become the most respectable professionals, and yet in this project, the Zambian

could not take-over the positions that the Finnish nationals held. Instead when one Finnish national went back to Finland, another Finn was sent or those that were in Zambia were deployed on rotational basis.

**Table 4: ESSP III Budget 2003**

Activities	EURO	ZMK(000)	LSD
Programme Management	-	-	-
Support Services	-	-	-
Technical Assistance	174,450	959,475	165,728
Training	64,000	352,000	60,800
Monitoring, evaluation research	9,500	52,250	9,025
Admin/running costs	81,500	448,250	77,425
Procurement	51,000	280,500	48,450
Other reimbursable costs	115,000	632,500	109,250
Home Co-ordination	37,000	202,500	35,150
Contingency	49,400	271,700	46,930
Total	581,850	3,200,175	552,758

*Source: ESSP Annual Work Plan and Budget - 2003.*

As can be seen in Table 4, the Finland had been all out to remunerate its nationals. The programme management and educational support services had received zero funding whilst technical assistance, training, monitoring, administration costs, procurement, other reimbursable costs, home co-ordinator and contingency in which the Finns were fully committed, seemed to cost almost 100 percent of the total budget for 2003. For example, technical assistance activity cost about 30 per cent of the estimated budget. All other items in the budget seemed to add up to about 70 per cent. The remaining activities seemed to be closely linked to the requirements needed in order to make the life of Finnish nationals comfortable. For example, Finns in the programme purchased expensive executive cars and other equally expensive necessities for good life. In most cases, if not all, such materials bought using the money meant to support the programmes, were sold by the same country's nationals upon completion of contracts. The money realised was not re-invested in the programme but found its way elsewhere! This, in the opinion of the author, seemed to amount to nothing but corruption and plunder. Or, how else could this situation be described? Could this be the harsh reality of the adage 'money speaks'?

**Conclusion: The Way Forward**

Control of research and information by donors and lenders which tends to give them an upper hand over the production of knowledge and information about education should be minimised or brought to an end. It must be fully understood that almost all the research and policy analysis done about education systems in developing countries is commissioned and paid for by donors. After finishing a contract in one country, international consultants move on to the next, and thus the skills and knowledge they build up are of no lasting benefit to the host country.

The use of expatriate consultants is one example of the 'tied aid' which means that aid money is used to purchase goods and services from the donor country. This influences education policy in other ways. For example, some donors are eager to promote their own publishing industry. They encourage or even force governments to buy textbooks written and published by foreign firms, which can result in pursuing an irrelevant curriculum. Another example is the widespread use of expatriate management consultants to run donor-funded programmes within the Ministry of Education. This undermines the capacity of the Ministry, and can also lead to unrealistic or inappropriate policies based on Northern models rather than Southern realities.

If the more than 350 000 children with special educational needs in Zambia are going to benefit as equal citizens of the country, the government must not be shy to invest in the education of children with special educational needs. Total reliance on foreign aid will never solve the problems children with special educational needs are facing in Zambia. The country on its own has surplus manpower in the field of special education. Zambia Institute of Special Education has trained many Zambian specialist teachers (more than 2 500 special education teachers, more than 100 diploma holders in special education). The Institute has also, in addition, trained personnel from Namibia, Angola, Botswana, South Africa, Nigeria and Ethiopia. The University of Zambia has produced more than 300 Bachelor of Special Education degree holders, and more than twenty Master of Education degree holders in Special Education. In addition to this trained human resources at home, a good number of holders of Master's and Doctor of Philosophy degrees obtained from universities abroad are available. What Zambia needs is financial resource power and recognition of its national experts and not technical assistance in human resource power from any foreign countries, except where very special expertise is required. Most of those listed in Table 1 above, are not as qualified as most Zambian experts who are by design, sidelined.

Although ESSP III had experienced these problems, an appreciable number (over 5 000 people who include teachers, chiefs, church leaders, etc) had been sensitised to the plight of children with special educational needs in the Western and North-Western provinces of Zambia. A good number of regular teachers had also been trained in the basics of special inclusive education in the two provinces. Since no research had been conducted to show the efficacy of the efforts of ESSP III special/inclusive education, it would be difficult and unfair to comment on the impact of the endeavours made on children with special educational needs.

If local experts had been used in all the three phases of ESSP rather than the foreign nationals of the donor country, a lot of financial resources would have been saved and a lot more children with special educational needs would have benefited from these efforts.

The Government of the Republic of Zambia must heavily invest in the education of children with special educational needs if it has to lessen the poverty among people living with disabilities. If half of what is being spent on HIV/AIDS publicity stint and GIRL-CHILD education could be spent on education of children with special educational needs, a good number of children and adults living with disabilities in Zambia, seen lining the streets of towns begging, would be smaller.



Donor countries purporting to support programmes in Zambia, should be advised to take a leaf from other countries like Japan, which pays its nationals working in the programmes in Zambia, from home government and not from the financial resources given to Zambia.

#### **END NOTES**

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