

**INSTITUTE OF DEVELOPMENT STUDIES (IDS)
UNIVERSITY OF ZIMBABWE
AND
ORGANIZATION FOR SOCIAL SCIENCE RESEARCH IN
EASTERN AND SOUTHERN AFRICA (OSSREA)**



National Workshop on

**Indigenisation of the Zimbabwe
Economy: Problems and Prospects
18 - 19 August 1994**

Rapporteur's Report

By

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INTRODUCTION

Economic indigenization relates to National economic control and ownership. In Zimbabwe, economic control and wealth has been concentrated in a small section of its society and in multinational corporations. This state of affairs has hardly changed since independence 14 years ago. Demands for the "indigenization" of the economy have therefore become a dominant theme in economic and political debates in Zimbabwe, but much more so in the 1990s.

Such developments as the formation of the Indigenous Business Development Center (IBDC) in 1990, the Parliamentary Committee on Indigenization also in 1990, and the Cabinet-appointed Task Force on Indigenization Coordinated by the National Planning Commission represent attempts to rectify this alimony of the concentration of economic wealth and control in a small section of society.

In line with its Research Plan, the Institute of Development Studies (IDS) of the University of Zimbabwe and the Organization for Social Science Research in Eastern and Southern Africa (OSSREA) based in Addis Ababa, Ethiopia, jointly organized a two-day National Workshop from 18-19 August 1994. The theme of the Workshop was "Indigenization of the Zimbabwe Economy: Problems and Prospects." The objective of the Workshop was to initiate a critical examination on issues pertaining to the indigenization of the Zimbabwean economy since independence and to try to find ways and means of realizing the indigenization programme in the country.

Participants came from IDS staff, University of Zimbabwe sister departments, the Government, parastatals and NGOs. In all, 30 participants contributed to the success of the Workshop. The proceedings published in this booklet is the outcome of 9 papers presented at the workshop.

Donald P. Chimanikrie
National Workshop, Co-ordinator

PREFACE

A national workshop was organized jointly by OSSREA and the Institute of Development Studies University of Zimbabwe in Harare during 18-19 August 1994. Nine presentations were made to the workshop and followed by intensive discussion. Presentations and the discussion are summarized in the following report.

OPENING REMARKS

The national workshop co-ordinator, Dr. D.P. Chimanikire, who is also the OSSREA liaison officer in Zimbabwe, welcomed all participants to the workshop and introduced the IDS Director and the OSSREA Executive Secretary whom he invited to give their opening remarks.

Dr. A.M. Rukobo: Director, IDS, University of Zimbabwe

After welcoming the OSSREA Executive Secretary and the workshop participants, the Director gave a brief history of OSSREA and elaborated on the Organisation's objectives. He said IDS is privileged to hold the workshop in conjunction with OSSREA; and expressed the hope that the participants would take advantage of the Executive Secretary's presence to discuss their research work with him. The Director disclosed that, in addition to this workshop, IDS has benefitted from funding of some of its research activities by OSSREA.

Turning to the chosen workshop topic, the Director informed the participants that indigenisation is a topical issue with social, political and economic ramifications. He said there is a general consensus that past colonial injustice should be addressed and rectified; and indigenisation is seen as a vehicle for creating an environment in which social justice prevailed. He then expressed the hope that the workshop would bring out meaningful and tangible conclusions and recommendations; and result in the initiation of research on the subject of indigenisation.

Professor Abdel Ghaffar M. Ahmed: Executive Secretary, OSSREA

The Executive Secretary thanked IDS and the liaison officer for organising the national workshop. He disclosed that this workshop was the first in a series of workshops to be held in OSSREA member countries. There were plans to hold similar workshops in Ethiopia, Sudan and Tanzania, with each country choosing its own topic. He explained that, following the recommendation of the Fourth OSSREA Congress, the Organisation is expanding its activities to Namibia and South Africa.

The Executive Secretary also elaborated on the membership, funding and activities of OSSREA. A major African donor was said to be the Addis Ababa University which houses and facilitates operations of the OSSREA Secretariat. Other institutions were also praised for giving facilities to liaison officers in member countries.

One of the important activities of the Organisation was the dissemination of research results through OSSREA publications. The Executive Secretary appealed for more contributions from Southern Africa, and assured the participants that OSSREA publications, especially books and the journal, were acceptable for promotion purposes.

The Executive Secretary then unveiled the planned OSSREA activities which he hoped would be fully supported in Zimbabwe and Southern Africa. The suggested new programmes were:

Research on the Environment - a three-year research programme on environmental issues to be co-ordinated by senior scholars and conducted in four or five selected member countries.

Visiting Scholars from the OSSREA Region - said to be necessary since OSSREA scholars do not quite know each other and when they meet, they usually do so outside the region. The visiting scholarships will be for three months to one year.

Summer School - to be located in Addis Ababa, Ethiopia, for the training of scholars in social science research methodologies. It was disclosed that methodology was a major weakness observed in the OSSREA research competitions; and the first classes will start next summer.

Seminar on Africa Beyond 2000 - resulting in a memoir on development issues in Africa by senior scholars in the region.

Finally, after informing the participants that a report of the workshop would appear in the next issue of the OSSREA Newsletter, the Executive Secretary expressed the hope that the topic of indigenisation will also be adopted by other countries in their national workshops.

PAPER PRESENTATIONS AND DISCUSSIONS

By elaborating on the impact of colonialism and the present state of the Zimbabwean economy in terms of ownership and control, the evidence on the need for redress of past injustices was provided by most of the papers. Thus there is consensus on post-independence restitution of colonially and racially instituted injustices and inequities. It is, however, on the role of the state, the policy, legislation, institutional framework, implementation strategy, beneficiaries, etc. of indigenisation that differences have occurred and around which debate has raged in the 1990s.

While no attempt will be made to summarise the papers and presentations, it will be necessary to highlight the problems and prospects for indigenisation emanating from the workshop deliberations.

Thomas Deve: Democratising the Indigenisation Discourse

The paper identified the main problem as being the reversal of liberation movement "gains" and socialist aspirations in the post-independence period. This was done mainly through the policy of reconciliation; constitutional elimination of discrimination on the basis of colour, race, etc.; and the Economic Structural Adjustment Programme (ESAP). While colonial authorities had created an institutional framework to assist white small entrepreneurs and actually intervened to create white wealth in the

colonial period, the post-independence state has not matched what the colonial state did. Instead, post-independence state intervention has been confined to parastatals and loss-making enterprises and Africanisation or black advancement which has not meant black ownership and control of the economy.

Although politicians claim that ESAP is part of the indigenisation discourse, rather than being "Afrocentric", the programme is "eurocentric" and World Bank-inspired. The state, via ESAP, was already moving away from interventionist strategies. Thus, the plight of black businesses in the 1990s shows that the state has failed to assist black entrepreneurs. Consequently, the state is an unsuitable custodian of indigenisation.

Yet "affirmative action" calls were being entrusted to the state and not the "affirmative action" groups. The paper argued that this was because these groups cannot spearhead the indigenisation discourse since they, especially the Indigenous Business Development Centre (IBDC), have no Afrocentric vision on how to accumulate but focus only on "money, markets and management". With the inherited colonial infrastructure remaining unchanged, therefore, indigenisation is a means for the rich to get richer and for the confinement of the black majority to the marginal areas of the economy.

The important component of the way forward in operationalising indigenisation were said to be "irredentism" and language change to involve the masses in the indigenisation discourse, and the collectivising of individual black efforts to come up with an Afrocentric vision on indigenisation.

Discussion

The ensuing discussion resulted in the following observations:

- The liberation movements had commendable programmes with regard to the nationalisation of the economy, but this was made almost impossible by the Lancaster Constitution and the policy of reconciliation. Although the Lancaster Constitution might have been by-passed through parastatals, by 1990 there were calls for a multi-party system, economic liberalisation and ESAP, resulting in losses of opportunities to nationalise the economy.
- The question of who is indigenous and claims by some local whites to be indigenous should be understood by referring to colonial history, especially the "settler"/"native" distinction. It is the black Zimbabwean who is indigenous.
- There appears to be no self-confidence, vision and full commitment to the indigenisation concept on the part of the ruling elite. The popularisation of indigenisation under the liberalisation phase, with donor support and increased international capital involvement could be a way of legitimising ESAP. African governments have been rhetoric about indigenisation, and donor aid and foreign investment have confined black businesses to marginal areas, not the commanding heights of the economy.

- Collective effort has so far been racially biased; with most business chambers serving white and not black business interests.
- There should be a link between Government and organisations pushing for indigenisation to enable state facilitation of the process. However, while channels of passing information in a way it is implementable include Party and Government, this is not necessarily democratising the indigenisation discourse.

B.G. Mombershora: Indigenisation of the Zimbabwean Economy: Problems and Prospects - An Agricultural Perspective

Focusing on the communal areas where the majority of indigenous Zimbabweans live, the paper defined indigenisation as the increased participation of Zimbabwean citizens, regardless of race or colour, in the accumulation process and in development policy formulation. The paper argued that, because of post-independence failures to address the problems of communal areas, there has been sub-standard agricultural performance in these areas. Communal areas have failed to perform as viable economic entities because of poor and deteriorating land quality; lack of social security schemes and consequent regarding of communal areas as retirement homes; unemployment, mounting population pressure and the resultant subdivision of land into uneconomic units; lack of title deeds and access to credit; use of inappropriate technologies developed for

large-scale commercial farms; and poor marketing services and infrastructure. These problems have precluded full participation and contribution of the majority of indigenous Zimbabweans in the agricultural sector.

The prospects for reversing this downward trend in communal areas were said to lie in Government's implementation of a resettlement programme to reduce the imbalances in land quality and holding sizes; provision of the necessary back-up services to resettlement schemes; changing of farmers' attitudes to ensure regarding of land holding as profit-making business and not as a home; and including communal area farmers in technological research and development.

Discussion

The following points were noted from the discussion:

- The definition of indigenisation was controversial, and it was pointed out that the concern is on the historically disadvantaged sections of the Zimbabwean citizenry and how to empower them. It was agreed that indigenisation should not be looked at outside the political process, and the general consensus was that the definition should focus on the historically disadvantaged.
- While there are arguments for and against title deeds, these are not necessary in the present unproductive communal

areas, since such arrangements will be too expensive for the landholders. Thus, any communal area farmers who strongly feel disadvantaged by lack of title deeds should seek resettlement.

- Although the need to improve peasant productivity was noted, the emphasis on economic viability and profitability of peasant agriculture was questioned. In view of the unresolved historical inequities in cash crop production and marketing, there was need for communal farmers to strike a balance between food security and cash crop production.
- While prospects for black large-scale commercial farmers might look bright, and would serve as a way of redressing past imbalances; this solution is not enough since it does not involve all the indigenous people. The existing commercial farms, including those owned by blacks, are too large and being underutilised. Therefore, the need for land redistribution still exists even among the blacks.

M.C. Halimana: The Possible Role of Technology in Indigenisation: Some Theoretical and Policy Issues

The main argument of the paper was that indigenisation should not be an end in itself, but should also enhance the industrialisation process. On the policy implications, the paper gave prominence to the role of the state and called for its subscription to "Schumpeterian thinking" and for its intervention to give black

entrepreneurs "historical first-mover advantages" and create the necessary infrastructure for "leap-frogging" into high technology. It noted, however, that the climate of less-state intervention under ESAP does not augur well for indigenisation; and asked whether the role of foreign investment and transnational corporations (TNCs) in the newly industrialised countries (NICs) could be replicated in Zimbabwe.

Discussion

The following observations were made in the discussion:

- Post-independence national development plans have emphasised the development of science and technology and skilled manpower but, so far, efforts have remained biased towards the agricultural sector at the expense of manufacturing, mining and energy. Apart from the Institute of Mining Research (IMR) and the late establishment of the National University of Science and Technology and the Scientific and Industrial Research and Development Centre, it has remained difficult for blacks to enter into these historically neglected areas due to lack of a promotional infrastructure.
- Having such infrastructure, however, does not necessarily address past injustices and the peripheralisation of blacks. For example, in the mining sector, in spite of the existence of the IMR, the Chamber of Mines caters for white-owned

and foreign-owned companies and the Small-scale Miners' Association of Zimbabwe serves black miners' interests.

- Unlike whites, blacks have not taken advantage of their previous employment and "old-boy" networks in establishing their own ventures in the manufacturing sector because Zimbabwe does not have the necessary political and economic conditions for "leap frogging". Besides, there is no clear policy on what indigenous technology should be developed in Zimbabwe.
- The long-term scenario, the global environment, power relations and decisions on what technologies go where, should be taken into account. To avoid black camouflaging of TNC subsidiaries, black Zimbabweans should be strengthened to enter into collaboration with TNCs as equal partners. Although there are concerns on the West resisting the duplication of NIC experiences in Africa, the geo-political conditions have changed as compared to the time of the NICs, and the NICs capital is already coming to Africa.

A.T. Mangwende, M.P.: The Legislature and the Indigenisation of the Zimbabwean Economy: Problems and Prospects - Experiences of the Parliamentary Select Committee on Indigenisation of the National Economy

After a presentation of the observations and recommendations of the Parliamentary Select Committee on Indigenisation of the

National Economy, the following issues emerged from the discussion:

- The legislation can be quickly and easily amended, but lack of political will and commitment has been a major problem. While the ruling party has taken a decision and came up with a paper on indigenisation, difficulties seem to come from the sectoral ministries which tend to develop cold feet and remain committed to earlier friends.
- The Draft Bill on Indigenisation which has been under consideration for the past eighteen months incorporates eminent rights of the indigenous people. However, steps were being taken to ensure that its provisions will not be in conflict with the Constitution.
- The post-independence (socialist) political philosophy of the ruling party delayed indigenisation and the development of private enterprise and black management capacity.
- ESAP tends to contradict indigenisation, and conflicts are inevitable in the long term. Contrary to "home-grown" assertions, ESAP was never meant for the majority of Zimbabweans. Instead, by seeking to rehabilitate the existing capital stock owned by the "ex-Rhodies", the programme intensified the grip on the economy by the "haves" and marginalises the black majority. There should have been a parallel programme aimed at the indigenous people.

- Lack of political commitment and the following factors have precluded blacks' entry into large-scale commercial farming:
 - * In amending the Constitution, an error was made when the section on land acquisition was changed without amending the Bill of Rights to take into account land acquisition. Consequently, the state is in conflict (Judiciary versus Legislature) with itself. The eminent rights of indigenous people should be clearly incorporated into the Constitution.
 - * There has been lack of financial support. The Agricultural Finance Corporation(AFC) should be changed to a land bank by amending the AFC Act. Since the AFC does not operate in a vacuum, the Banking Act should also be amended. Further, some savings programme for blacks should be initiated, e.g. a National Saving Fund, with workers putting in, say Z\$5 per month.
 - * The State Loans and Guarantees Act has not been used to benefit blacks, and there have been cases of repossession of farms and implements by state-owned financial institutions.
 - * The "willing-buyer, willing-seller" constitutional provision has led to over-pricing of the land so that the buyer has failed to economically sustain his operations due to lack of funds. This provision should, therefore, be repealed.

- There are few, if any, Government policy statements on indigenisation, although there are a lot of public statements on the subject. However, much has been done on indigenisation in collaboration with the Ministry of Finance which has placed a capital budget under itself and an operational budget under the National Economic Planning Commission.
- While a World Bank study identified construction as a potential area for exclusive indigenous business activity, the Ministry of Finance compiled a list of "set-asides". The problem, however, is that the list says "local" and not "indigenous" or "black". This allows for the eligibility of, as well as the buying out of black-owned enterprises by, locally registered, but foreign-owned companies.
- There is need for a land reform programme that also includes the commercialisation of communal areas. The land holding size should not necessarily be limited since this depends on ecological conditions and the use to which the land will be put. Purchasing should not be the only way of acquiring land, and agricultural college graduates should be assisted in accessing land and taking up agriculture as a viable economic venture.
- Legislation inadequacies and shortcomings are not necessarily due to inefficiency of the Parliamentary Legal Committee. Drafting of laws is done by the Attorney General's office. The draft law goes to the Drafting Committee in the Cabinet. Once the Head of State is

happy with the draft, the law is presented to Parliament. The Parliamentary Legal Committee only ensures that the law is not in conflict with the Constitution. Difficulties usually arise at the implementation level where, in some cases, ministers have come up with rules and regulations (statutory instruments) which violate many other laws. Consequently, all subsidiary legislation is now scrutinised by the Parliamentary Legal Committee.

L. Masuko: Macro-economic Changes: Exploring Constraints and Opening for Economic Indigenisation

The paper cited ESAP as the macro-economic policy change from the Unilateral Declaration of Independence (UDI) and post-independence "command" systems. It also noted the lack of a comprehensive indigenisation programme. The "openings" for indigenisation under ESAP were said to include possibilities for small- and medium-scale enterprises (SMEs) being subcontracted by large-scale enterprises (LSEs); privatisation/commercialisation of parastatals with the indigenous people taking up shares in viable parastatals; and the indigenisation of technology. The "constraints" on indigenisation were cited as reduced state intervention and the state's inability to protect SMEs; deregulation of the economy, competition and the crowding out of SMEs by LSEs; fiscal and monetary policy measures causing high inflation and high interest rates thus barring SMEs' access to credit and investment capital; trade liberalisation and devaluation, raising the prices of imports for SMEs. The paper concluded that, while

some "openings" might be created under ESAP, the "constraints" that come with this macro-economic policy change inhibit indigenous entrepreneurs' exploitation of those "openings".

Discussion

The following observations were noted in the discussion:

- Given that a decision on indigenisation has already been taken by the ruling party, lack of a comprehensive programme appears to indicate that the debate is not very open as some party members cannot oppose indigenisation for fear of losing their posts.
- There is need to draw some lessons from the outcome of affirmative action in the construction sector. Few of the indigenous people have had access to the contracts since the majority cannot afford to take up such contracts. So far, there is no system to equitably distribute the fruits of indigenisation lobbying. However, while there might be a distribution problem, there is also a risk of wasting money on inefficient businesses in pursuance of equity.
- Changing the financial laws and institutions may not result in rational utilisation of financial resources by the indigenous beneficiaries and borrowers. Given the scarcity of financial resources, the inefficient and the already advantaged indigenous entrepreneurs should not have access to subsidised credit.

E.S. Makoni: The "A to Z" Requirements to Facilitate the Entry of Black Entrepreneurs into the National Economy

The discussion and reactions to the Zimbabwe National Chamber of Commerce's (ZNCC) "requirements" on indigenisation included the following:

- While "blacks" might be too blanket a term which does not distinguish between the advantaged, rich blacks and the poor black majority; it is the small businesses, where there are predominantly black entrepreneurs, which should be improved and promoted.
- There is an urgent need to develop entrepreneurship skills among the blacks. The (white) employer-(black) employee syndrome is still dominant among blacks, including the educated ones. ZNCC has set up a Small Business Support Unit which goes out to rural areas and has already trained thousands of people in the initial appreciation course. ZNCC has also touched on the school curriculum and developed the Zimbabwe Junior Chambers. The ZNCC participates within the school programmes and so far about three hundred schools are working in partnership with the ZNCC. The idea is to impart the commercial approach to business and, hopefully, eliminate the employee syndrome and create employers out of the pupils.
- Although the proposed establishment of a Monopolies and Mergers Commission might appear to violate ESAP and free enterprise, it is in the best interest of indigenisation.

Before ESAP, labour laws and price controls favoured large business since small enterprises could not afford them. However, under ESAP, deregulation and the removal of price controls also saw large businesses, especially chain stores, going into high density urban areas. While this could be a cunning political move by the state to avoid consumer outcries on high prices, it has initiated monopolistic tendencies. These chain stores can afford to sell at lower retail prices than the existing small retailers but will dictate prices in the long term after eliminating the black small enterprises.

- While there is need for some state assistance and for an alternative programme to augment the state's limited resources, the role of the state should be confined to the provision of infrastructure. Yet Government has up to fifty percent shares in the Delta Corporation, which is a parent company of the chain stores also going into the high density areas. Since Government has failed to instruct private banks to lend money to blacks, a proposed, but controversial, alternative funding programme was for the state to sell its shares in Delta and set up a fund for black businesses.

B. Raftopoulos: The Politics of Indigenisation in Zimbabwe

Like the preceding papers, this paper highlighted the post-independence failure by the state to effectively deal with past injustices and dismantle white elitist structures. This failure was said to be mainly due to the Lancaster Constitution, reconciliation policy, socialist rhetoric and lately, ESAP; the black petty-bourgeoisie's (corrupt) use of the state machinery in the accumulation process as exemplified by the 1994 tenant farmer scandal; ideological confusion and lack of a clear policy and strategy on indigenisation; and the neglect and marginalisation of the workers and the (landless and poor) black majority. The paper asked whether this new display of nationalist energies through indigenisation will remain the cutting edge of a petty-bourgeois accumulation project or whether it will deepen into a broader, more radical agenda.

Discussion

The discussion raised the following issues:

- Although the World Bank and other international organisations support indigenisation; there is widespread opposition to indigenisation where the land issue is concerned. These organisations, therefore, have a selective policy on indigenisation and tend to favour areas which pose the least threat to international capital and the accumulation process.

- The tenant farmer scandal, where white tenant farmers' leases were cancelled by the state, with the majority of the beneficiaries being black senior state officials, was cited as one of the dangers of lack of transparency and the implementation of an unaccountable, elitist land reform programme.
- Any calls for joint ventures with regional and international capital will not result in indigenisation under present conditions as most of the investment will go to the existing TNCs and white production structures. The state should, therefore, be clear on what it means by indigenisation.
- While there is a legitimate need for indigenisation as a means of redressing past injustices, the concept should be a boarder social project allowing for wider participation by other organisations such as the labour movement. A narrow framework tends to give indigenisation racial and elitist connotations. Thus, rather than withdrawing from the debate, the Zimbabwe Congress of Trade Unions should clearly state what it expects out of the indigenisation programme.

F. Maphosa: The Problem of Succession in Indigenous Businesses: Some Implications for the Future of Indigenisation

The paper, based on on-going research, focused on an important, but hitherto neglected, aspect of indigenisation. It observed that

leadership or managerial succession, the process by which key officials are replaced by others, is both inevitable and necessary in any organisation. Thus, any organisation, regardless of the purpose of its existence, has to be prepared for life after the founder or present leader. Consequently, the survival and growth of indigenous businesses will depend on what will happen after their founders are gone.

Yet preliminary research findings indicate lack of clear succession plans and a tendency among indigenous business people to shun delegation of authority and responsibility. The lack of succession plans is said to be due to failure to look beyond the present; the extended family system and role of relatives in deciding on succession; cultural beliefs prohibiting discussions about one's death and what happens after one's death; and owners' seeing the purpose of business as being to benefit only their spouses and children.

The paper argued that if there is to be any indigenisation and transition from SMEs to LSEs, there should be an all-encompassing promotional strategy covering the economic, legal and socio-cultural environment. Indigenous businesses should, therefore, have the organisational and managerial capabilities and mechanisms to ensure a smooth succession from generation to generation.

Discussion

In the discussion, it was observed that;

- Leadership succession is an important issue which not only affects black businesses, but has also remained a problem in the political sphere in Africa.
- While turning black enterprises into limited companies could be a solution; from research findings, the main reason against partnership was that "you can't trust a black person".
- Although culturally there is an obligation to take over what was left by one's father, lack of preparation of the would-be successor, due to centralised authority and responsibility, adversely affects the survival of black businesses.
- Since the existing cultural values are incompatible with business, the ingredients for a succession plan do not exist among black business people. It is therefore necessary to create a business culture and a black business person through training, e.g. ZNCC training courses.
- There is need for a comparative analysis of white and Asian businesses and to draw, if any, lessons from these entrepreneurs whose culture is different from that of the indigenous people.

D.S. Tevera: Policy on the Indigenisation of the Zimbabwean Economy: Preliminary Assessment of the Expected Economic, Spatial and Social Impacts

Also like the preceding papers, the paper lamented the absence of effective state intervention to eliminate the constraints on indigenisation such as restrictive laws and lack of skills, infrastructure, access to land, finance and credit. The omission of small-scale farmers and black businesses based at growth points and rural service centres from the list of beneficiaries of the Z\$400 million, earmarked for emergent business people, was likely to amplify rural-urban disparities and benefit a black minority. The paper argued that indigenisation should have a socio-spatial component aimed at distributing national wealth more equitably throughout the space-economy and between social groups, including women and children.

Discussion

The following issues emerged from the discussion:

- Under ESAP and reduced state participation in the economy, it is unlikely that the defunct Parastatals Commission will be revived. However, the issue is not about its resuscitation, but that of its recommendations. It was not known whether the Parastatals Commission's recommendations were implemented by the state.

- Zimbabwe should learn from the Ugandan experience and avoid extreme measures which will defeat the whole purpose of indigenisation. A big lesson that should be drawn from the Ugandan experience is the lack of entrepreneurial skills among the blacks who took over Asian businesses. Consequently, Uganda was now prioritising the creation and development of a black middle class, and seeking the return of former expatriate business owners.
- While it is necessary to come up with an indigenisation programme which benefits the majority blacks, it is still desirable to create an African middle class and a class of African business people under ESAP and a capitalist setting. Zimbabwe should, therefore, formalise the development of entrepreneurship training programmes.
- Indigenisation has come to be synonymous with the advancement of black entrepreneurship largely because noises have been loudest in business circles. Yet business is just one way of empowering blacks and only a fraction of the population is interested in business. If there is to be any successful implementation of the indigenisation programme, everyone at all levels and in all sectors should be involved in the formulation and implementation of indigenisation policy.

CLOSING REMARKS

In his closing remarks, the OSSREA Executive Secretary praised the workshop as a tremendous success. He explained that the challenge of indigenisation was not unique to Zimbabwe. Some African countries have taken extreme (Uganda) and cautious (Kenya) approaches to indigenisation; and Zimbabwe could learn from these past experiences and come up with a viable strategy. He said the use of education in the indigenisation process should be encouraged, especially the ZNCC schools projects and changes to the school curriculum. He however, noted the constraining impact of ESAP and SAPs which he said have tended to replace whatever local development initiatives in Africa. He then challenged the academicians, politicians and business people to come up with a viable indigenisation strategy in Zimbabwe.

IDS OSSREA Workshop 18-19 August 1994
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