

Indigenisation Bill just another means to steal

By [Tendai Biti, MP](#)

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An Opposition MDC Member of the Zimbabwe parliament says that Mugabe's new law requiring 51% of all businesses to be placed in the hands of black Zimbabweans is nothing more than yet another law to legalise theft by the state. The main target appears to be mining companies, but foreign-owned advertising, marketing and media will also be affected.

Harare - On Friday, 22 June 2007, the government of Zimbabwe gazetted the Indigenisation and Economic Empowerment Bill. In broad and general terms, the objective of the Bill is to ensure that indigenous Zimbabweans own 51% of the shares of any public company and any other business.

In addition, the Bill prescribes that no projected or proposed investment in a prescribed sector of the economy should be approved unless indigenous Zimbabweans hold a controlling stake in the investment.

Over and above this, all government departments, statutory bodies and local authorities and companies should procure 50% of their goods and services from a company with a controlling interest held by indigenous Zimbabweans.

Quite clearly, the Bill has far-reaching consequences concerning the issue of ownership and investment by companies in Zimbabwe.

In dominated social formations such as Zimbabwe, underdevelopment and uneven and unequal distribution of property characterizes the structural economic base of the country. Decades of colonialism have resulted in a skewed economy owned and controlled by a minority few whose mandate and interest was to serve the colonial metropole under circumstances wherein the majority black population was not a beneficiary of the national cake.

More than just the changing of the guards

The colonial State was thus a gate-keeping State, with its most intrusive and ambitious distortions based on narrow export-orientation and raw material production in which the African and African labour were mere objects of the reproduction of this client State.

Independence therefore, if it was to be meaningful, should have gone beyond the mere changing of the guards. It must involve the structural reconstruction of the State and the economy.

Without this, independence becomes a meaningless charade that generates its own vicious contradictions, to the extent that in the overwhelming majority of cases, there has been no reconstruction and redefinition of the post-colonial State and

post-colonial economy.

The colonial gate-keeping State has been reproduced under post-independent labels, but the old contradictions of deprivation and pursuance of narrow interests have been perpetuated.

The post-colonial State thus remains anti-majority and anti-development, but one, which without the military and economic might of the former colonial master, has to reproduce itself through patronage, coercion, repression, clientelism and rent-seeking activities.

The question that begs an answer is: Does the Indigenous and Economic Empowerment Bill represent a genuine attempt to restructure and reconstruct the State and the economy in order to transform Zimbabwe from the caretaker State it has been to a people-oriented economy? The answer, sadly, is No.

Between 2000 and 2004, the government of Zimbabwe embarked on a land reform programme that resulted in the compulsory acquisition of 11 million hectares of land. That the land reform programme was an essential ingredient in the process of reconstructing the State and the economy is not in dispute.

Land grab a 'disastrous expression of greed'

However, four years after the implementation of the programme, it is not in dispute the despite negligible pockets of success, the programme has been a cataclysmic exposure of Zanu PF's greed and asset stripping. The programme has been a disastrous expression of greed, aggrandizement, wastage and unbridled avarice, what Ibbo Mandaza described as "voracious primitive accumulation" in his foreword to Edgar Tekere's book, *A Lifetime of Struggle*.

The net result has been a total decapitation of agricultural capacity by more than 73% of the 2000 output. In the 2006 agricultural season, Zimbabwe could hardly produce 600 tons of maize and found itself in the embarrassing position of having to import food from countries such as Zambia, who not more than five years ago, were entirely dependent on Zimbabwe's agriculture.

A cursory and casual drive through Zimbabwe's greenbelt (Banket, Chinhoyi, Alaska, Lions Den, Karoi) will expose the catastrophic consequences of Zanu PF's greed expounded in the name of the land reform.

For us in the MDC, the Indigenisation and Economic Empowerment Bill has nothing to do with the genuine economic empowerment of the indigenous population, a population that has done well on its own in asserting itself in the commanding heights of the economy. Indigenous capital dominates both the financial services and retail sectors.

The Bill will not empower Zimbabweans

The Bill therefore is a mere avenue of further patronage and rent-seeking activities by the big guns in Zanu PF. It will allow Zanu PF and its acolytes access into the remaining sectors of the economy, in particular mining, which, because of high initial investment capital, it has hitherto been unable to access.

Indeed, empowerment will take place - but it will be empowerment of the very same looters who have brought the country's economy to its knees and who, for the past seven years, have been eating not just the fruits of independence, but the stem of independence as well.

The Bill will not empower the millions of Zimbabwean workers and poor people who are surviving on less than US\$ 1 per day and are dying in their thousands every week. It will not empower the average Zimbabwean in Dotito, Highfield, Msampakaruma, Nkayi or Makokoba.

Over and above this, the legal construction of this Bill is suspect. The compulsory acquisition of 51% equity of companies clearly brings the Bill into conflict with property rights as enshrined in section 16 of the Constitution of Zimbabwe. In

addition it is in flagrant breach of Article 17 of the Universal Declaration of Human Rights.

Another problematic issue is the fact that all decision pertaining to the approval of any transaction and any change of ownership in respect of the Bill are solely to be handled by the Minister responsible for administering the Act.

Put simply, to the extent that the execution of the provisions of the Bill is solely resident in the Minister, the legal construction of the Bill remains suspect because subjective application is inevitable. One wonders why, as in other jurisdictions, those functions are not given to an Independent Empowerment Commission.

The bottom line is that Zanu PF has failed and has absolutely no answer or solution to the current structural crisis arresting the country. Instead of concentrating on resuscitating the collapsed supply side of the economy, Zanu PF is disingenuously seeking to destroy those remaining pockets of this challenged economy.

They will not fool anyone and history will judge them harshly!

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