

Not *just* recovery, but a *JUST* Recovery for Zimbabwe- A shared platform for Economic and Social Justice

Background

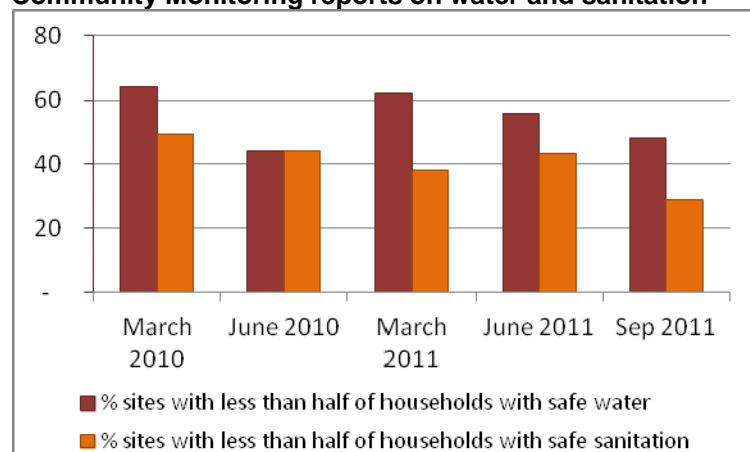
We have written this document as members of civil society working in key areas of economic and social justice, from the Community Working Group on Health, the Zimbabwe Teachers Association, FOSENET (the food security network); Zimbabwe Project Trust; Zimbabwe Congress of Trade Unions; Combined Harare Residents Association; Civic Forum on Housing and Training and Research Support Centre. It outlines concerns and aspirations expressed by our members and information we have gathered from community level across the country over the past decade.

Zimbabwe's economic and social crisis has deeply affected people's economic and social conditions. The country and the people need economic and social 'recovery'. However we don't want just any recovery, but a recovery that improves the opportunities, conditions, productive capacities, social security and wellbeing of the people as a whole. We need a *just* recovery, one that provides fair conditions and social justice, fair benefits and economic justice and fair government and tax justice.

Fair conditions and social justice

We would want to see the right to health and education included in the bill of rights in the new Zimbabwe constitution.

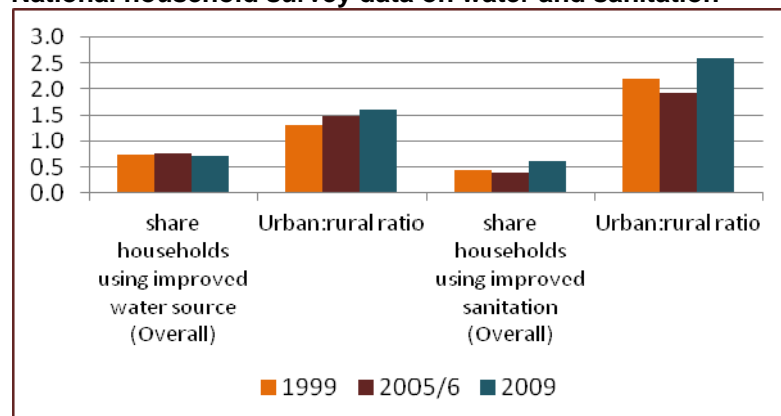
Community Monitoring reports on water and sanitation



Most households in both rural and urban areas have poor living conditions that have not improved much since 1999.

Access to safe water is a human right. Household surveys show that there has been little improvement in household access to safe water since 1999. Urban people have more access to water than rural, but urban water supplies are often interrupted. Community monitoring reports indicate that there has been some improvement in 2011 in access to safe water, but that access is still poor.

National household survey data on water and sanitation



Access to sanitation has improved from 2009 to 2011, but is still at very low levels. Only 6 in every 10 households have safe sanitation and there are big gaps between urban and rural areas.

Every household and public space should have safe water and sanitation. Water should be publicly provided, with a minimum free band to cover health needs, and progressive charges.

Children's nutritional status and household food security is an indicator of social justice.

Under-nutrition, stunting (chronic malnutrition) and wasting (acute malnutrition) all worsened after 1999. About one in every six children is undernourished. The situation improved a little in 2010, but with one in ten children undernourished, this is still high.

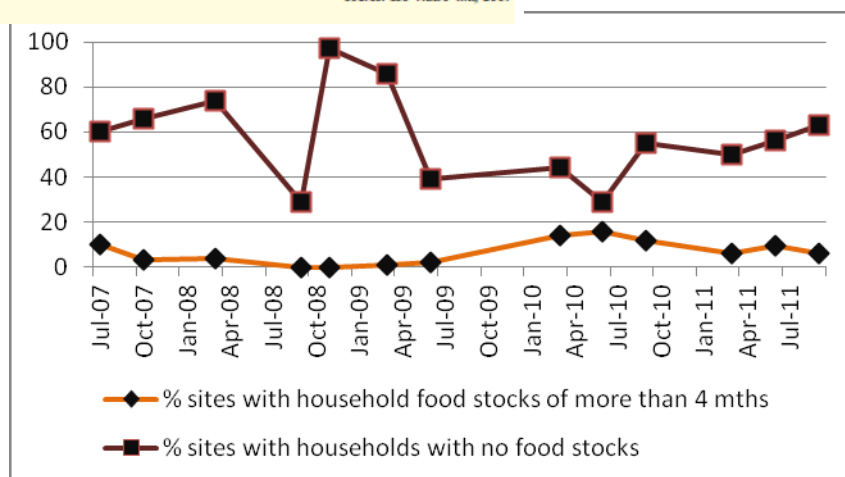
Trends in child nutrition 1998-2006



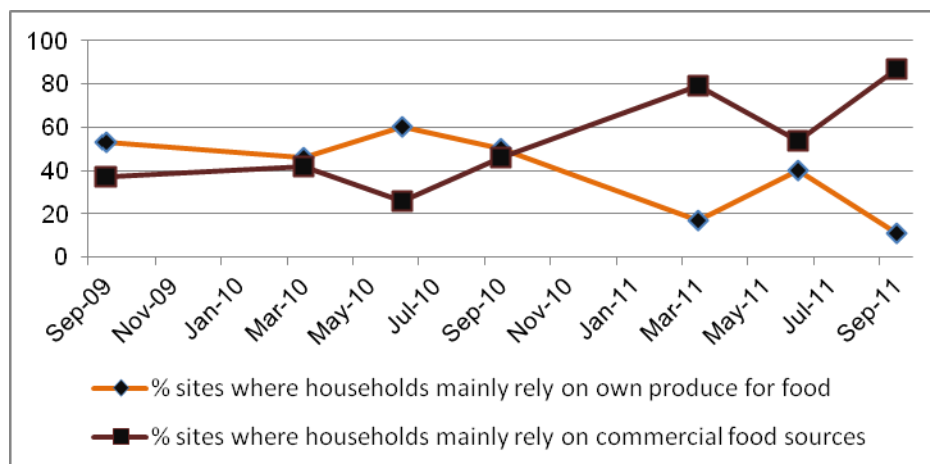
Community monitoring reports show that many households have poor food security. Few have food stocks of four months or more and there was higher food insecurity in July 2008-April 2009. Food insecurity has been rising since January 2011.

Up to 2010 most households relied on their own produce for their food. After this it switched and people became more reliant on commercial food sources. While food is now more available from retailers, the cost of food may now be the biggest barrier to food access.

Community Monitoring reports on household food stocks, 2007-2011



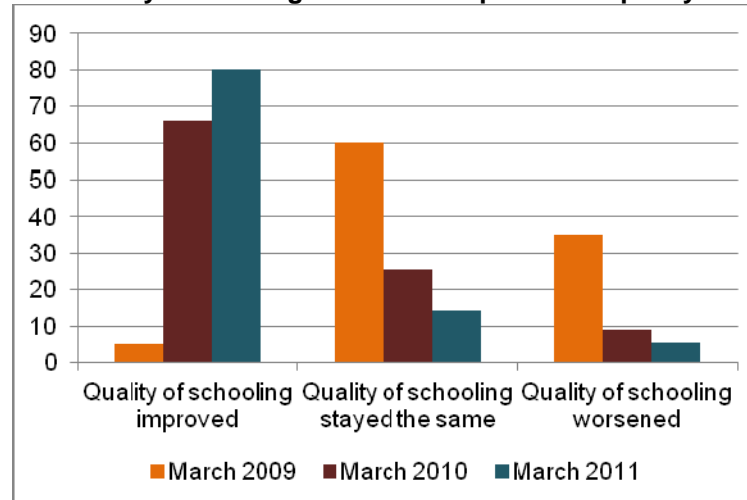
Community Monitoring reports on household food sources, 2009-2011



Everyone should have access and be able to afford to the food they need, through ensuring affordable and available staple foods and support for food producers.

Reports from communities suggest that a majority of households in Zimbabwe in both urban and rural areas are living in poor social conditions. Social services, particularly those provided by the state, are important to support households. Zimbabwe has since the 1980s had a high net enrolment in primary schools for boys and girls. **Education** contributes to health, to employment, to improved incomes and thus to social justice. It is encouraging that households report improvements in the quality of education since 2009.

Community Monitoring- % sites with perceived quality of education services, 2009-2011



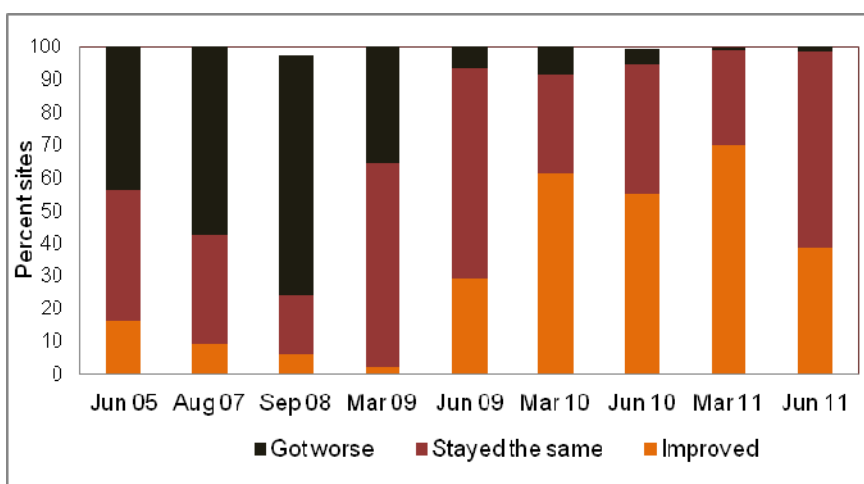
Nevertheless costs of education may be a barrier. Household surveys in 2009 by Zimstat and UNICEF reported that primary school completion rates had fallen, especially for low income households. In a quarter of sites nationally, community monitors reported that those who needed it were not accessing the BEAM support for school fees. Schools have become reliant on parents to pay incentives rather than paying teachers adequately. This leads to differences in the quality of education in different areas.



The right to education, and the services to support that entitlement should be tax funded and provided in the public sector. Teachers are a national asset and should be valued. A teaching service commission and the teaching professions council should be established.

Between 2005 and 2008, communities reported that **health services** worsened. Since 2010, it is encouraging that health services were seen to have improved, as the availability of medicines and staff

Community Monitoring- perceived quality of health services, 2005-2011



The full health service entitlement at clinic level should be clearly defined, funded and provided without user fees in public, mission or local government services. Government should meet the Abuja commitment of at least 15% government budget to health.

How effective is it when health services treat people and then send them back to the same conditions that made them ill? According to the Ministry of Health, the cholera epidemic that started in August 2008 led to 4,269 deaths and 97,469 cases by April 2009. It was entirely preventable. The risk of water borne diseases is high where there are frequent water and power cuts and a breakdown of rubbish collection. People find it difficult to follow advice to boil water when there are water and power cuts.

We would thus argue that waiting for people to fall ill and then treating them is not good for health or for national recovery.

The right to health is not just about access to quality health services.

It is also about having food, basic shelter, housing and sanitation, and an adequate supply of safe water needed for health.



Both the right to health, to access the water, food and other factors that affect health and the right to access health care services need to be included in the constitution.

Social security is a right and an important driver of economic wellbeing. But very few people have comprehensive or adequate social security in Zimbabwe. Many schemes cover only middle and higher income groups or more secure wage earners. Poor people depend mainly on their extended families for social protection and support. Formal sector workers reported in a 2011 survey that they most need protection for health care costs, but only 41% had medical aid. While those with low incomes, more dependents and lower education have high needs, they are also have less cover. Many pension and medical schemes do not adequately inform or consult members on the contributions and benefits. Funeral plans had the highest level of current coverage (69%), as contributions reported to be affordable and benefits clear. Few people can access social housing or housing loans.

The National Social Security Authority (NSSA) was set up as a means of providing pensions, maternity, funeral and other benefits nationally. However according to NSSA in 2007, only 1.2 million of Zimbabwe's approximately 6 million adults were covered in 2006, and women were very poorly covered with only 274 of the 1240 members female. The benefits were limited and the investment of the accumulated contributions was not clear to the members. People thus more often rely on extended families for social protection, as well as mutual aid groups like burial societies, savings clubs, credit schemes and church groups.

Zimbabweans should have social protection for old age, infirmity and other periods of vulnerability. Spending on treating illness, on child birth or other health needs should not push households into poverty. People who are elderly, disabled and families in distress should be supported by national social protection arrangements.

Everybody should have access to decent housing

We recommend that there be a national policy dialogue on the measures (immediate and long term) to widen and improve the coverage and performance of social security schemes towards achievement of universal social security. This policy dialogue should be inclusive of all stakeholders and not just those currently covered by the more limited formal schemes currently available.

We also note that

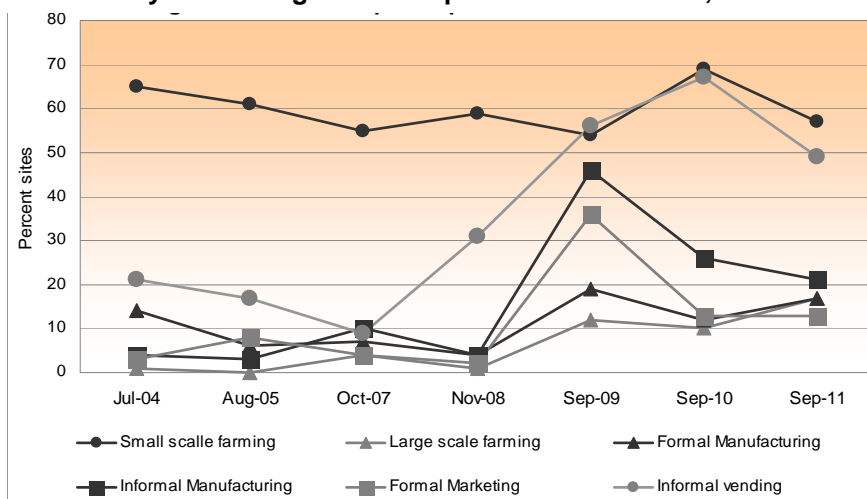
- Social security should be understood as a right and responsibility, with a basic mandatory level of social security cover.
- Schemes should be reviewed and provide for the high priority social security needs of people in different ages.
- Existing rules on worker participation in Trustee Boards should be implemented and enforced in all schemes; including in the Insurance & Pensions Commission Board at the top level of governance and the transparency and accountability of NSSA governance should be strengthened, including through making audited accounts and actuarial reports annually available to parliament.

Fair benefits and economic justice

Zimbabwe has a wealth of resources and potential, a highly literate population, and rich natural resources. The 2000s were a challenging time: a 35% decline in Gross Domestic Product between 1999 and 2007 and an official year-on-year inflation rate in 2008 of 231 million percent. The land reform programme led to the transfer of around 8 million hectares of land across 4,500 farms to over 160,000 households, representing 20% of Zimbabwe's total land area. While this widened access to economic assets, economic decline meant that people did not access basic needs and production inputs, that employment fell as did income security. After the dollarization in 2009 inflation fell, and there are reports of improved industrial capacity in the manufacturing sector. Goods and services became more available. These are signs of 'recovery'. But **how widely has the recovery been felt?**

In 2011, communities reported that company start ups were more common than company closures, with most new jobs reported in retail, construction and farming sectors. Most job losses were in mining and some manufacturing sectors.

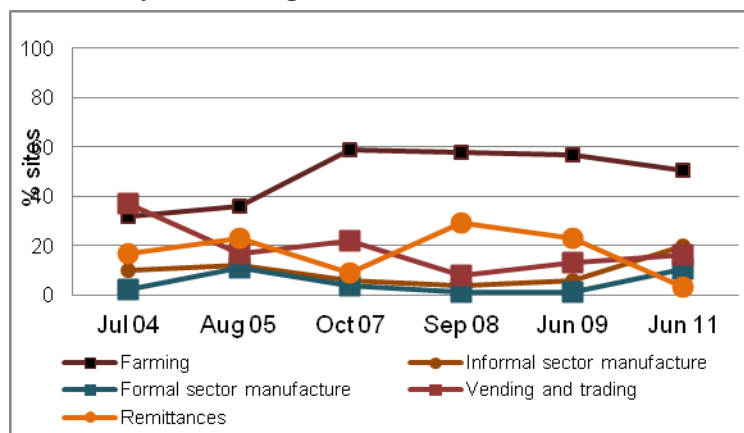
Community Monitoring- trends in production activities, 2004-2011



Small scale farming and informal vending were the most common production activities reported by communities in 2011, although large scale farming and formal manufacturing is also reported to have increased since 2010. Women are more involved in informal activities and vending. These insecure activities leave women with more insecure incomes.

Community monitors report that men have become more involved in small scale farming after 2010, and that male farmers have better access than women to land and draught power than women, but equally poor access to credit and irrigation.

Community Monitoring- income sources, 2008-2011

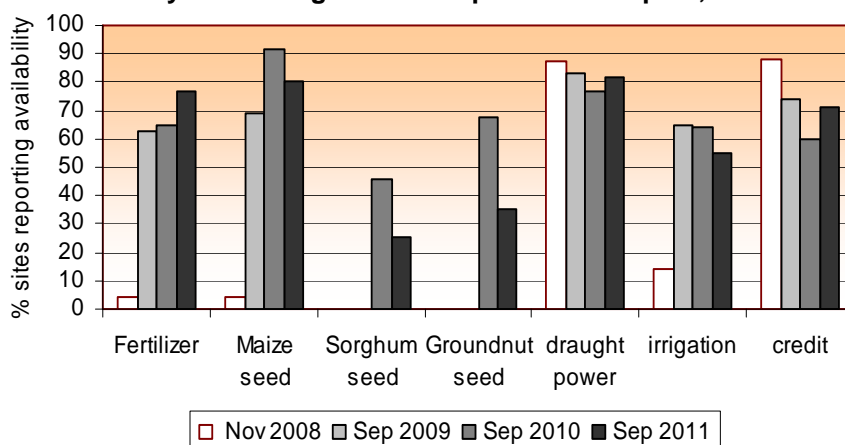


Community monitors report that farming is twice as common a source of income as other sources. In 2008 and 2009, when trading, manufacture and other economic activities were at very low levels, remittances from inside and outside Zimbabwe were reported to be common sources of household income. In 2011 more households are obtaining income from production activities.

If more households are becoming productive, why then do more households have less secure access to food? One factor may be that the **inputs to production are not accessible or affordable**. If people cannot access farming inputs, they cannot make best use of national resources and their yields are low.

Community Monitoring- access to production inputs, 2008-2011

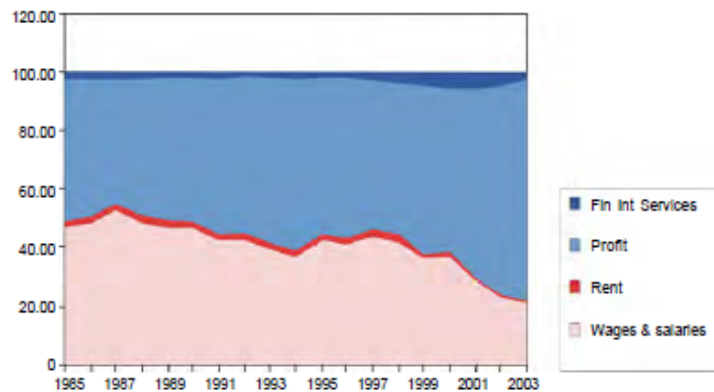
While access to fertiliser is reported to have improved, access to other production inputs has not. The price of maize seed is reported to have almost doubled between 2010 and 2011. Poor access to inputs- especially for women- limits the contribution of farming to food security and reduces the returns from farming to household needs.



Small scale household food producers and local production of staple foods should be supported through subsidies on seed and fertiliser and temporary import tariffs. Parliament should audit and report on who is accessing current public subsidies, to ensure they reach small farmers. The GMB should make immediate payment when farmers deliver the crops they sell.

While vending, trading and manufacturing is increasing, **earnings are not increasing enough to meet household needs**. Since structural adjustment in 1989, the share of national income that goes to wages and salaries has fallen, while the share to profits has increased. While falling wages are associated with increased poverty, according to UNDP in 2008, the **increased share to profits** did not bring increased investment or job creation.

Profit and income shares in national income 1985-2003



UNDP Zimbabwe 2008

Not everyone has low fees or wages. Executive fees are reported to be up to 75 times higher than the wages of lowest paid workers. Such **unequal pay** means that people cannot consume what they produce, depressing local markets and local drivers of economic growth.

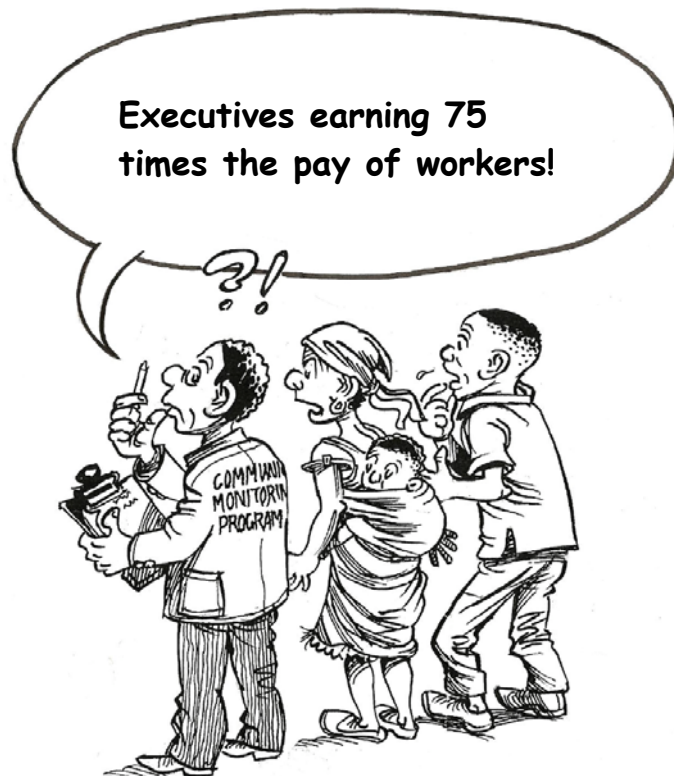
The gap between earnings for Executives and lowest paid workers, 2011

Industry/Sector	Lowest paid worker US\$ / month	Executives US\$ month	Executive pay as a multiple of lowest paid worker
Hospitality/ Parastatals	154	11,540	74.9
Manufacturing	278	9,914	35.7
Banking	474	11,837	25.0
Insurance	256	6,429	25.1
Telecommunication	610	8,283	13.6
Non government organisations	395	10,306	26.1

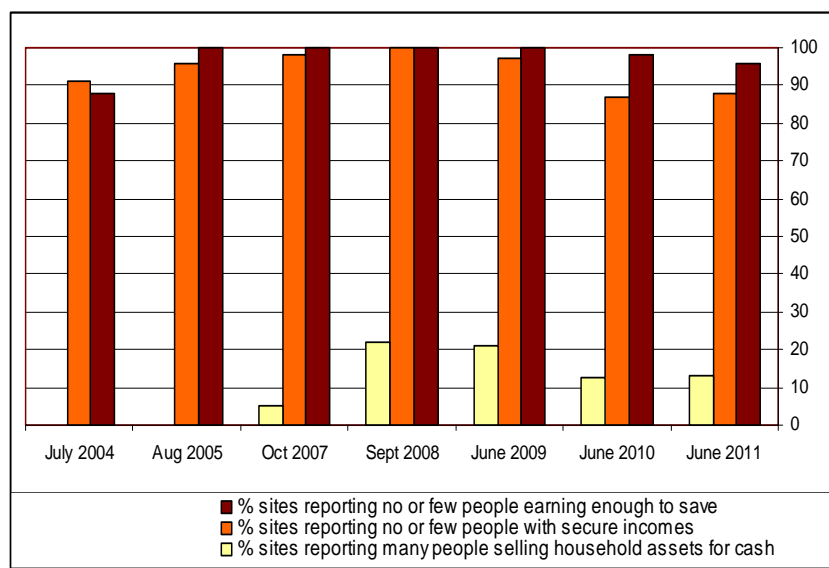
Ledriz reported in Herald, November 4 2011

All workers, teachers and health workers, should earn poverty datum line (PDL) linked wages, and the minimum pension should also be linked to the PDL. The highest to lowest pay should be a ratio of 10:1 or below.

Wages as a share of national income should go back up from 25% to levels of 50% of national income and a greater share of profits invested in new production and jobs. If more people work, and workers earn more, they and their families spend more, boosting many different local companies and the local economy.



Community Monitoring- reports on income security, 2004-2011



Our community monitoring suggests that while income insecurity got worse in 2008 and 2009, and has since improved, both rural and urban communities have had low returns from labour and production. This limits people's own recovery and contribution through production and consumption to national recovery. In the mining sector, for example, the Zimbabwe Environmental Lawyers Association reported in 2011 that in 2010, platinum earned

US\$596.2 million, gold US\$306.8 million, diamonds US\$126 million and nickel US\$52.2 million. Areas rich with mineral resources are also described as having communities living in conditions of environmental degradation and pollution of water systems, poverty, poor infrastructure and displacement. Given that Zimbabwe has ratified both the International Covenant on **Economic, Social and Cultural Rights** and the African Charter on Human and People's Rights, measures need to be in place that allow communities to have fair benefit from their natural, economic, social and cultural resources.

Communities and workers should have fair benefit from the resources in their area, including a stake in the companies extracting natural resources like minerals.

A recovery strategy based on wider access to production resources and incomes would be not only more just, but also more sustainable.

Fair government and tax justice

Civil society has met, negotiated and engaged with government and private sector on these areas of economic and social justice. We seek to achieve productive inclusion, rather than social exclusion, and call for economic and social justice through people's full participation in democratic, accountable and participatory forms of governance.

Local authorities provide an important vehicle for democratic participation in social and economic development. A small survey of four urban local authorities in 2009 found that residents perceived high levels of central government interference in the business of councils and low participation of citizens. The lack of timely audited accounts by local authorities also hinder accountability of local authorities to residents. At the same time local governments do not always receive expected grants from central government (such as for health). In contrast, where dialogue between residents and councils is consistent and information flows, residents are more able to collectively participate in addressing local problems to the benefit of all.

Local government is key for building participatory forms of government and should be enshrined in the constitution, with roles, powers and devolved resources including 15-20% of tax revenue to enable effective and efficient service delivery.

There should be a consultative review of the Urban Councils Act, the Rural District Councils Act, the Traditional Leaders Act and all local government laws to ensure that they provide for effective citizen participation, and published performance standards for all public officials.

At the same time residents expect that the funds will be used to provide a quality, reliable and affordable nature of the services outlined in this platform, including electricity. Residents expect to receive timely and accurate bills, that local government will ensure investment in public infrastructure and explore options for renewable energy.

Whether as residents, health workers, teachers, students, workers or other social groups, we have a right to access information, to receive responses to queries and to be heard on policies, budgets and programmes. As civil society we have a duty to raise social awareness and as residents to be informed on budgets, public revenues and how they are used. Companies should 'publish what they pay' with information disclosure on extractive industry revenues and contracts, making clear the finances available for services and for fair benefits in the distribution of gains from revenues.

Fair government and tax justice calls for democratic debate over the how revenues and public finances are used, to ensure that the recovery is measured in social and economic terms, that the costs and benefits are fairly distributed and that progress is felt at widest level.

At local level there should be participatory budgeting, with meaningful inclusion of residents, stakeholders and experts in local and central budgets.



Companies should publish what they pay, their remittances to and from government.

Central and local government and parastatals should provide timely external audits once every year, to parliament and to the public.