



Afrobarometer Briefing Paper No. 115

**ZIMBABWEANS' VIEWS ON EMPOWERMENT:
JOBS VS. BUSINESS TAKEOVERS**

by Eldred V. Masunungure and Heather Koga

March 2013

Two Views of Empowerment

A wide policy disjuncture exists both inside and outside Zimbabwe's coalition government regarding the best way to empower the country's citizens. Empowerment is a popular war cry among most former colonies, especially those that were under a settler regime as was the case in many Southern African countries, including Zimbabwe. The crux of the problem is how best to more evenly redistribute national wealth and resources between the former colonising minority and the indigenous majority population. In Southern Africa, the former were invariably white and the latter predominantly black. Empowerment is therefore viewed by post-colonial governments as a policy imperative in order to remedy historically rooted injustice that created racially based social and economic inequalities.

In Zimbabwe, there is remarkable policy consensus on empowering historically disadvantaged groups based on the broad-based realisation that the inherited system is unsustainable and is a sure recipe for future social and political instability. However, the policy consensus immediately breaks down with respect to methods for achieving empowerment. Two contrasting but not necessarily contradictory paradigms dominate the policy debate and the empowerment discourse. In sharply polarised Zimbabwe, the two methods take on a partisan flavour. The first is articulated and popularised by the formerly hegemonic Zimbabwe African National Unity-Patriotic Front (ZANU-PF) party, which was the ruling regime from 1980 to 2008. The second is voiced by the two branches of the Movement for Democratic Change (MDC). Resolving the differences is complicated by the fact that since February 2009, ZANU-PF was compelled to share power in a coalition government with the two MDCs after disputed and violent elections in 2008.

For ZANU-PF, empowerment is best achieved through compulsory takeover of foreign-owned businesses in order to benefit the indigenous black population. In pursuit of this, the then ZANU-PF dominated Parliament passed the Indigenisation and Economic Empowerment Act (IEEA) in October 2007 which the President assented to in March 2008, just before elections. Among other things, the Act aimed to "provide for support measures for the further indigenisation of the economy; (and) to provide for support measures for the economic empowerment of indigenous Zimbabweans". It defines an indigenous Zimbabwean as:

any person who, before the 18th April, 1980, was disadvantaged by unfair discrimination on the grounds of his or her race, and any descendant of such person, and includes any company, association, syndicate or partnership of which indigenous Zimbabweans form the majority of the members or hold the controlling interest.

The Act then defines indigenisation to mean "a deliberate involvement of indigenous Zimbabweans in the economic activities of the country, to which hitherto they had no access, so as to ensure the equitable ownership of the nation's resources". In fact, economic empowerment is the broad policy goal while indigenisation is the instrument for achieving it. Indigenisation is understood to require each non-

indigenous company to dispose of 51% of its shares to black Zimbabweans. The IEEA was not implemented until early 2010.

The second empowerment paradigm advocated by the two MDC parties argues for empowerment via creating more jobs for the multitudes of unemployed Zimbabweans, especially the youths. Estimates put the national unemployment rate at over 80%, and that for youths at over 90%.

The controversy over indigenisation versus job creation has dominated the policy agenda since the Ministry of Youth Development, Indigenisation and Economic Empowerment enacted statutory instruments from January 2010 that were designed to provide the operational framework for implementing the IEEA. The controversy remains unresolved, and in fact the contestation over the most appropriate method for empowering the people has become sharper and fiercer as the country prepares for watershed elections that will end the quarrelsome and fragile coalition government. It should be noted though that since the survey was done, the ZANU-PF party has significantly shifted its posture to inject a strong dose of job creation in its economic development policy (see “Parties woo voters with job promises”, *The Herald*, 23 November 2012).

While politicians and others in the policy community argue about empowerment and the best means of achieving it, the opinions of ordinary Zimbabweans remain unknown. This Bulletin, based on Afrobarometer data collected in Zimbabwe in 2012, is an effort to join the debate from a public opinion perspective. The major findings show, beyond reasonable doubt, that Zimbabweans are overwhelmingly in favour of the jobs creation strategy rather than takeover of foreign-owned businesses.

Afrobarometer Surveys

The Afrobarometer is a comparative series of public attitude surveys, covering up to 35 African countries in Round 5 (2011-2013). It measures public attitudes on democracy and its alternatives, evaluations of the quality of governance and economic performance. In addition, the survey assesses the views of the electorate on critical political issues in the surveyed countries. The Afrobarometer’s main goal is to produce scientifically reliable data on public opinion in Africa while strengthening institutional capacity for survey research, and research findings to inform policy and practice. The Afrobarometer also provides comparisons over time, as four rounds of surveys have been held from 1999 to 2008 and Round 5 is currently underway.

Afrobarometer surveys use a common survey instrument and methodology. The instrument asks a standard set of questions that permits systematic comparison in public attitudes across countries over time. The methodology was based on a national probability sample of 2400 adult Zimbabweans selected to represent all adult citizens of voting age, allowing for inferences with a margin of sampling error of +/- 2% at a 95% confidence level. The sample was drawn randomly based on Probability Proportionate to Population Size (PPPS), thus taking account of population distributions, gender as well as rural-urban divides. The sampling process ensured that every adult Zimbabwean citizen had an equal and known chance of being selected in the sample. Fieldwork in Zimbabwe was conducted by the Mass Public Opinion Institute (MPOI), between 16 and 30 July 2012.

Popular Views on Empowerment

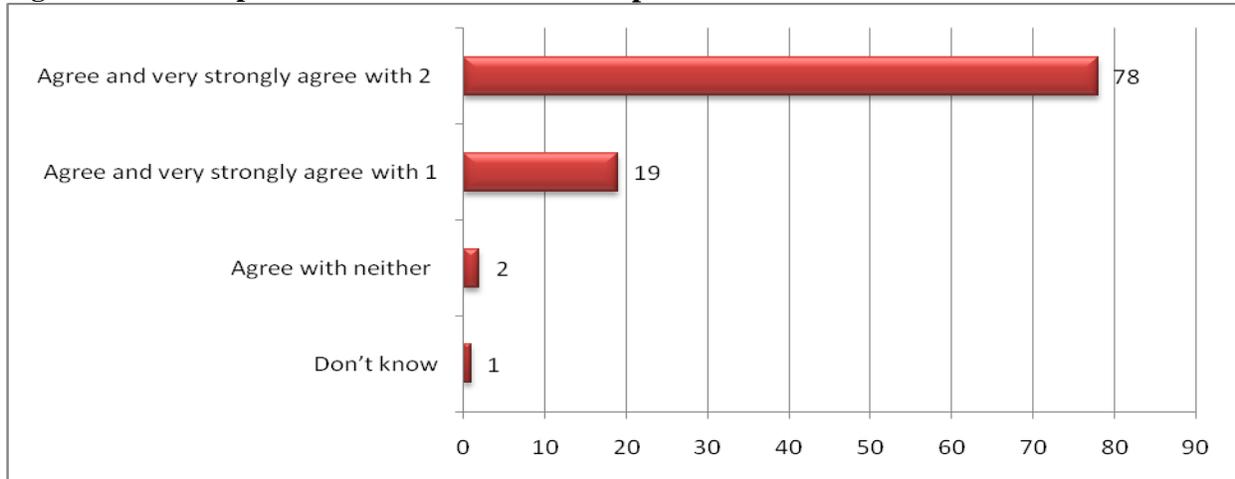
To find out what Zimbabweans think on the highly contested empowerment issue, the survey offered two statements that were juxtaposed against each other and respondents were asked to choose the one that best represented their views. The statements were:

Statement 1: Indigenising the economy by taking over foreign-owned companies is the most effective way of empowering all Zimbabweans.

Statement 2: Creating jobs would be a more effective way of empowering all Zimbabweans than taking over ownership of businesses.

By an overwhelming four to one margin (78% to 19%), Zimbabweans prefer being empowered through jobs rather than through taking over foreign-owned businesses (Figure 1). This is a ringing endorsement of the job creation strategy, more so because more than half (54%) actually “agree very strongly” with this policy option. Further, the fact that virtually all respondents offered an opinion shows how close the debate is to people’s hearts. It is a high priority policy question and these results should be of particular relevance as political parties begin to craft their campaign strategies and methods.

Figure 1: Public Opinion on the Best Path to Empowerment



Which of the following statements is closest to your view?

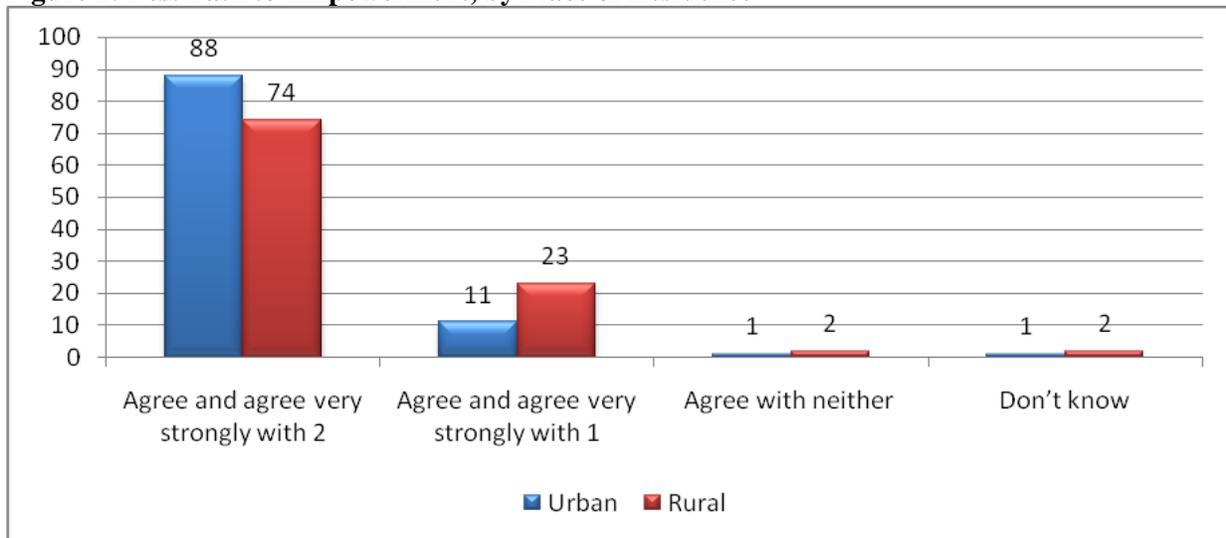
Statement 1: Indigenizing the economy by taking over foreign-owned companies is the most effective way of empowering all Zimbabweans.

Statement 2: Creating jobs would be a more effective way of empowering all Zimbabweans than taking over ownership of business.

There are no significant differences between men and women on this issue. However, differences based on place of residence are more substantial. Urban residents are significantly more inclined to preferring the job creation strategy (88%) than their rural cousins (74%) (see Figure 2). Rural Zimbabweans are more than twice as likely as urbanites to prefer taking over enterprises (23% vs. 11%). This is not entirely surprising given the long-held perception that rural Zimbabwe is a ZANU-PF stronghold, while urban areas are dominated by the MDCs. ZANU-PF has made it clear that economic empowerment via indigenising foreign-owned companies is its key policy plank in its campaign strategy for the next elections¹. The MDC-T led by Prime Minister Morgan Tsvangirai has also chosen job creation as its major theme around which it intends to campaign. But it is notable that despite ZANU-PF’s perceived strength in the countryside, their preferred policy position on this issue is nonetheless rejected by a sizeable majority in rural areas.

¹See “Zanu PF using empowerment law as vote catching gimmick, admits Kasukuwere”, available at: <http://www.radiovop.com/index.php/national-news/8531-zanu-pf-using-empowerment-law-as-vote-catching-gimmick-admits-ka.html>

Figure 2: Best Path to Empowerment, by Place of Residence



Which of the following statements is closest to your view?

Statement 1: Indigenizing the economy by taking over foreign-owned companies is the most effective way of empowering all Zimbabweans.

Statement 2: Creating jobs would be a more effective way of empowering all Zimbabweans than taking over ownership of business.

We earlier noted that the policy discourse on the two strategies is highly charged politically, at least at the leadership level. Does the Afrobarometer data display this partisan polarisation at the level of ordinary Zimbabweans? The answer is affirmative. There is a huge partisan gap in preferences between the 90% of MDC-T voters who opt for job creation when compared to 59% of ZANU-PF supporters (Table 1).

Table 1: The Best Path to Empowerment, by Vote Choice

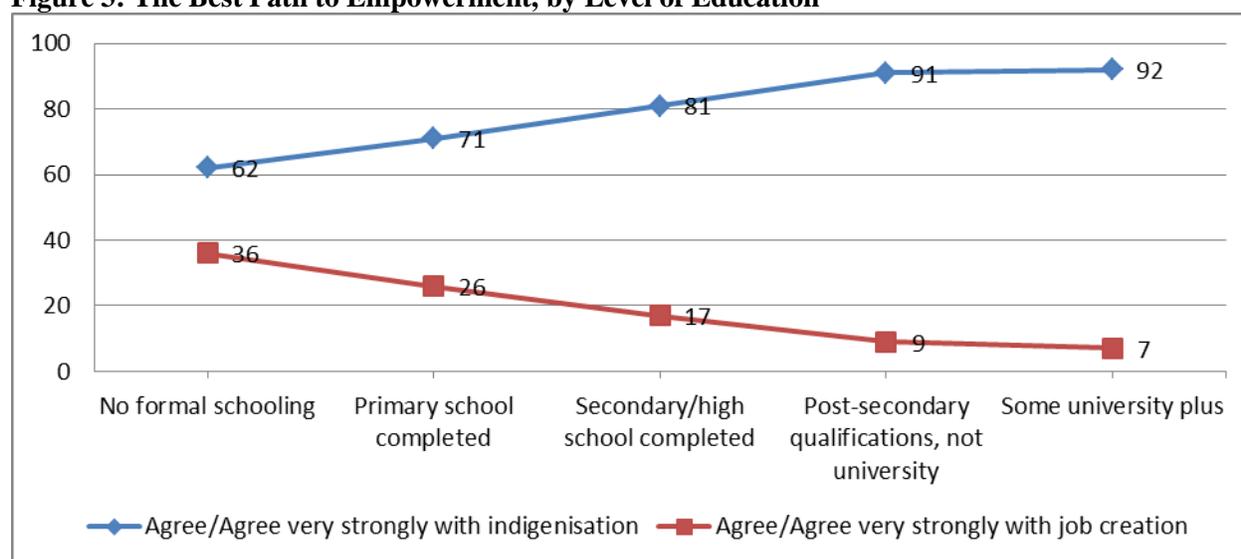
	Agree/Agree very strongly with Indigenisation (Statement 1)	Agree/Agree very strongly with Job creation (Statement 2)	N
MDC-T	7	90	726
ZANU-PF	38	59	779
Would not vote	10	90	210
Refused to answer	12	85	575
Total	19	78	

Question: If a presidential election were held tomorrow, which party's candidate would you vote for?

Nevertheless, it is very revealing that even within the former ruling ZANU-PF party, a substantial majority of nearly six in ten would rather be empowered via jobs than by taking over non-indigenous businesses. It appears that the party has not been very successful in persuading its support base about the efficacy and indeed desirability of indigenisation as presently framed and marketed; there are many sceptics within its ranks.

Does education matter? The answer is emphatically affirmative. The preference for job creation increases with education while the preference for indigenisation declines with more education (Figure 3). While 62% of those with no formal schooling support job creation, the proportion increases up to 92% for university students and post-graduate qualification holders.

Figure 3: The Best Path to Empowerment, by Level of Education



The survey also reveals a clear relationship between age and the empowerment preferences of Zimbabweans. Preference for job creation steadily drops as age increases, from 82% among the youths (18-30) to 78% among the middle-aged (31-45), and 76% for the 46-60 age group, and finally dips to 72% among senior citizens aged 61 and over.

It is often the case in Zimbabwe that public opinion varies spatially across regions. The country has ten administrative provinces, two of which – Harare and Bulawayo – are urban. Large majorities in all provinces prefer the job creation strategy (Table 2). De-industrialising Bulawayo tops the list of provinces that overwhelmingly support job creation, with up to 95% supporting this approach, followed by Masvingo (90%) and Harare (87%). The least support for this strategy is found in the three Mashonaland provinces of Mashonaland West, Mashonaland East and Mashonaland Central.

Table 2: The Best Path to Empowerment, by Province

	Agree/Agree very strongly with Indigenization (Statement 1)	Agree/ Agree very strongly with Job Creation (Statement 2)
Bulawayo	3	95
Masvingo	9	90
Harare	12	87
Manicaland	15	83
Matabeleland South	22	74
Midlands	19	73
Mashonaland West	27	72
Mashonaland Central	29	71
Matabeleland North	23	70
Mashonaland East	32	66
Total	19	78

Finally, we ask the verdict of people according to their employment status.

Table 3: The Best Path to Empowerment, by Employment Status*

	No (not looking) [N=960]	No (looking) [N=672]	Yes part time [N=336]	Yes full time [N=432]
Agree & Agree very strongly with Indigenization (Statement 1)	24	14	19	16
Agree % Agree very strongly with Job Creation (Statement 2)	73	83	78	83
Agree with neither	2	2	2	1
Don't know	2	1	1	1

Question: Do you have a job that pays a cash income? [If yes] Is it full time or part time? [If no] Are you presently looking for a job?

By large majorities, all four employment categories support empowerment through the job creation option. However, two of them are especially emphatic about their endorsement: the ‘unemployed but looking’ (83%) and the full-time employed (83%). This proportion is somewhat larger than that of the part-time employed (78%) and significantly larger than that of the ‘unemployed and not looking’ (73%). Clearly, the pro-indigenisation policy makers have not been accurately reading the mood of the people on this critical policy matter. Perhaps this realization is what led to ZANU-PF’s recent policy shift on this issue. Or perhaps they now are given the apparent and very recent change in ZANU-PF’s policy from empowerment via indigenisation to “sustainable job creation buttressed by the indigenisation programme” (see *The Herald*, 23 November 2012).

Conclusion

Overall, Zimbabweans prefer policies based on job creation rather than takeover of foreign-owned businesses. This policy preference gets strong support across provinces, parties, gender, age and all education groups. Policy makers are therefore encouraged to make use of the preferences of the people in the formulation and implementation of policies. A policy that promotes the creation of new (and many) indigenously-owned Zimbabwean firms and companies and the consolidation rather than takeover of existing ones is not only superior, but also adds value to the economy while simultaneously encouraging the sorely needed foreign direct investment that can generate the much needed jobs.

In sum, Zimbabweans want to be empowered via jobs. With the exception of a small, but vocal, minority, citizens express strong confidence in a policy that creates employment even if the employer is a foreign-owned business. The Indigenisation and Economic Empowerment Act is a major and highly controversial policy ostensibly designed to benefit the historically disadvantaged groups in the country. However, evidence from the 2012 Afrobarometer survey strongly indicates that this is not the way the majority of Zimbabweans want to be empowered. They would rather have jobs than business shares. Public policy should reflect this popular preference.

References

CIA World Factbook 2012, Zimbabwe Economy 2012, available at:
http://www.theodora.com/wfbccurrent/zimbabwe/zimbabwe_economy.html

VOP, “Zanu PF using empowerment law as vote catching gimmick, admits Kasukuwere”, available at: <http://www.radiovop.com/index.php/national-news/8531-zanu-pf-using-empowerment-law-as-vote-catching-gimmick-admits-ka.html>

The Herald, “Parties woo voters with job promises”, 23 November 2012.

Government of Zimbabwe, Indigenisation and Economic Empowerment Act, Chapter 14:33, 2008. The authors speculate that this shift in policy may have been prompted by MPOI’s press release on indigenisation which was part of the dissemination package on 10 October 2012 in Harare, Zimbabwe. As in this bulletin, the press release starkly showed that empowerment via indigenisation has few takers.

The **Afrobarometer** is produced collaboratively by social scientists from more than 30 African countries. Coordination is provided by the Center for Democratic Development (CDD-Ghana), the Institute for Democracy in South Africa (IDASA), the Institute for Development Studies (IDS), University of Nairobi, and the Institute for Empirical Research in Political Economy (IREEP) in Benin. Michigan State University (MSU) and the University of Cape Town (UCT) serve as Support Units to the Network.

Survey implementation in Zimbabwe, including preparations, data collection and management and overall project coordination, was undertaken by Mass Public Opinion Institute (MPOI). We gratefully acknowledge generous support for Afrobarometer Round 5 from the UK’s Department for International Development (DfID), the Mo Ibrahim Foundation, the Swedish International Development Agency (SIDA), and the United States Agency for International Development (USAID). For more information and further requests for analysis please visit Afrobarometer website: www.afrobarometer.org or contact Mass Public Opinion Institute (MPOI), on +263-4-771358/+263-4-758700, email: director@mpoi.org.zw; web: www.mpoi.net