

LAND REFORM IN ZIMBABWE

/
Craig J. Richardson

Introduction

Anyone flying over Zimbabwe on a clear day in the year 2000 would have seen huge differences in the farming regions, and perhaps better understood the country's longstanding issue with land reform. In some areas of the country, there were vast tracts of well-irrigated commercial farms, producing thousands of acres of tobacco, cotton, or other cash crops. In other regions, dusty and small communal farms were crowded together, typically suffering from a lack of water. These farms produced maize, groundnuts, and other staple crops. Whites owned most of the commercial farms, numbering about 4,500 families. In contrast, 840,000 black farmers eked out a living on the communal lands.

Over half of the commercial land was located in fertile, high-rainfall regions, which was a legacy of British colonialism. British explorer Cecil Rhodes and the Brit-

ish who immediately followed in the early 1900s had driven blacks off their land, forcing many of them to farm in more arid areas. Although 80% of the commercial farms in 2000 had since been purchased by individuals whose ancestors had arrived in Zimbabwe after World War II, with no connection to the early settlers, the disparities between blacks and whites fueled calls to return the fertile "stolen lands" to black Zimbabweans.¹

However, what many observers missed was that the fertility of the land was not just determined by rainfall or quality of the soil. Although communal lands tended to be in drier areas, many were directly adjacent to commercial farms, or in high-rainfall areas, as the satellite photos show in this book. In addition, there were commercial lands in very arid parts of Zimbabwe. Yet in nearly all cases, the communal areas were typically dry and scorched,

whereas the commercial lands were green and lush.

Why the difference then? A good part of the answer lies in the difference in property rights between the two areas. Commercial farms had secure property titles that gave farmers large incentives to efficiently manage the land, and allowed a banking sector to loan funds for machinery, irrigation pipes, seeds and tools. Zimbabwe's Commercial Farmers' Union head economist Neil Wright explained "this system of providing security for loans advanced to farmers was fundamental to being able to carry out farming operations within the commercial sub-sector, and to a large extent governed investment and output. It was the cornerstone to stimulating the entrepreneurial spirit that developed the sub-sector."²

This "entrepreneurial spirit" developed the most sophisticated water delivery system in Southern Africa (excluding South Africa). Of the 12,430 dams in this entire region, 10,747 are in Zimbabwe, creating enough of a water supply to get through severe droughts.³ These dams, combined with a network of irrigation pipes, minimized the problem of droughts for the commercial farms. Indeed, dams were full through all the droughts of recent years.⁴ Bank loans to Zimbabwe's commercial farms meant many were as sophisticated as any large-scale farm in the United States. The farms also employed about 350,000 black workers, and the larger farms often provided money for local schools and clinics. The commercial sub-sector also included small-scale commercial farms, run by about 8,500 black farmers. These lands

were titled and productive, since these farmers had access to the credit sector as well.⁵

In contrast, the lack of property rights in communal lands meant no access to financial capital. Farmers were given the use of land by the sabbukku, or village headman, and tilled their land with crude plows. They used no irrigation, and little or no fertilizer. The lack of formal and secure property rights also led to three other problems: 1) squabbling over land rights, 2) "tragedy of the commons," and 3) conflicting use restrictions.

In a comprehensive study of communal property laws, Nyambara found that in Zimbabwe's Gokwe district, immigrants, squatters and established villagers frequently argued over unevenly enforced land rights.⁶ Sabbukkus often used their prestige as village headmen to allocate more land to themselves. The result has been growing "land anarchy" and struggles for power. In addition, the villagers could obtain land through the secret "informal" land market, bypassing official land allocation requirements. In many cases and places, Baker found that chiefs and other local leaders were able to turn the right of land allocation into the right of personal allocation, and have been able to amass both cash and large land holdings.⁷ At the same time, land may not be bought or sold through a formal market. For this reason, no banks will recognize it or extend credit.

When land is not owned by anyone, there is little incentive to take care of it. In Zimbabwe, new communal farmland is created by chopping down forests, and

the land is used until the soil is exhausted of nutrients. Communal grazing areas are not tended or managed, resulting in quick depletion of the surface vegetation. Thinning vegetation then leads to increasing erosion, leaving the land ever more susceptible to runoff and droughts. After the area is no longer productive, the communal farmers move on to the next region. More forests are chopped down, and the process repeats itself. This is a textbook example of “tragedy of the commons,” which describes the overuse of any resource that no one owns.⁸ In addition, the barren communal lands now adversely influence the weather. Summers have become even hotter and drier in these areas.⁹

In Zimbabwe’s villages, there are conflicting use-restrictions on communal lands. A household could have exclusive rights for cultivation of crops on its allocated land, but at the same time, everyone can help themselves to indigenous trees, fallen firewood, water supplies, and meadows, regardless of where they lie.¹⁰ As one might guess, these restrictions are subject to interpretation, and lead to village conflicts as well as a lack of long-term investment in the land.

In sum, the most important issue was not poor quality communal land, as was so commonly blamed, but the fact that communal farmers worked under an informal property rights system that squashed individual incentives to both properly manage and develop the land. Although crowded onto little plots, communal farmers without access to financial capital would likely not rise above a subsistence level even with larger amounts of land. Moving

to larger spaces would lead to the same land degradation unless the underlying problems of insecure property rights were addressed.

The calls for land reform

The vast differences in wealth between whites and blacks became a political opportunity for President Mugabe to focus upon in the run-up to the 2000 parliamentary election. War veterans, who had vaulted Mugabe to power in 1980, now became more strident; they felt that promises of land after the war had been repeatedly broken. However, Zimbabwe’s constitution forbade the wholesale seizure of the land without proper compensation. In a voter referendum in February 2000, citizens rejected Mugabe’s call for a new constitution giving the government greater powers over land seizures. Polls also suggested land reform was not a top issue for voters.¹¹

President Mugabe nevertheless set in motion the seizure of nearly all the 4,500 commercial farms, beginning in early 2000. Most ended up in the hands of Mugabe’s party supporters and government officials, who knew little about farming. An estimated 350,000 people (nearly all black Zimbabweans) formerly employed by these farms now found themselves unemployed and on the brink of starvation, along with their families and dependents numbering another 1–2 million.¹² Rather than compensating white farmers as had been done in the past, Mugabe now declared all commercial farmland titles to be void. For the first time in Zimbabwe’s history, he ignored his own Supreme Court,

which in December 2000 ruled that the land seizures were unconstitutional.¹³

The domino effect of expropriation as a land reform policy

In early 2000, Mugabe was handed a confidential memo from the Reserve Bank of Zimbabwe, the country's central bank. The memo predicted that going forward with farmland seizures would result in a pullout of foreign investment, defaults of farm bank loans, and a massive decline in agricultural production.¹⁴ The memo would prove to be prescient; unfortunately, Mugabe ignored it. During the next four years, the economy began to implode with increasing speed. By 2003, it was shrinking faster than any other in the world, at 18% per year.¹⁵ Inflation was running at 500% and Zimbabwean dollars lost more than 99% of their real exchange value.¹⁶

How did it happen so quickly? After all, the farming sector represented just 15% of GDP. First, the land seizures shattered investor trust in business ventures across the board. Investors worried that if farms could be seized, what might be next? By 2001, once healthy and booming direct foreign investment levels had dropped to nearly zero. The stock market plunged by 88%. In addition, the risk premium on investment in Zimbabwe jumped from 3.4% in 2000 to 20.4% in 2001.¹⁷

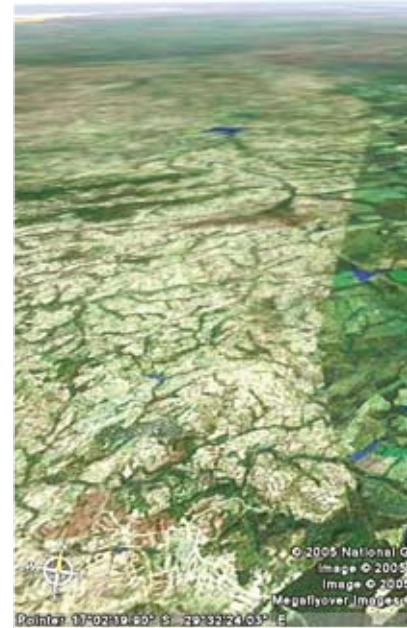
After the land reforms began in 2000, newly resettled Zimbabweans were assigned plots of former commercial farmland without land titles. Instead of land titles, the new farmers were forced to lease the land year to year from the government.

With no means to borrow against their land, the farmers could not obtain loans from banks for seeds or farm equipment. As the farm seizures continued, banks became increasingly reluctant to lend to the remaining commercial farmers whose land had been "listed" for compulsory acquisition by the government, or occupied by squatters.¹⁸

The result was a vast constriction of borrowing which rippled from business to business, and sector to sector. With no way for banks to foreclose on the land, their safeguard for lending was lost. A recent study found that Zimbabwe's land holdings lost three-fourths of their value in the first year of this conversion. This loss, estimated at US\$ 5.3 billion, was nearly three and a half times greater than the total amount of aid given by the World Bank since the country's independence in 1980.¹⁹

Moreover, the remaining wealth is now locked up in what economist Hernando de Soto has called "dead capital" since it cannot be used as collateral. To make matters worse, the land seizures resulted in a "brain drain," as white farmers who escaped the country took with them their knowledge and experience of large-scale commercial farming. As a result, Zimbabwe's varied agricultural production of maize, groundnuts, cotton, wheat, soybean, sunflowers, coffee, and sheep production contracted between 50 and 90% during the 2000–2003 period. Dairy cows were slaughtered after maize, the cow's feed, was no longer available. No longer was this a country that could feed itself and export the rest. Now it was desperate

01



/

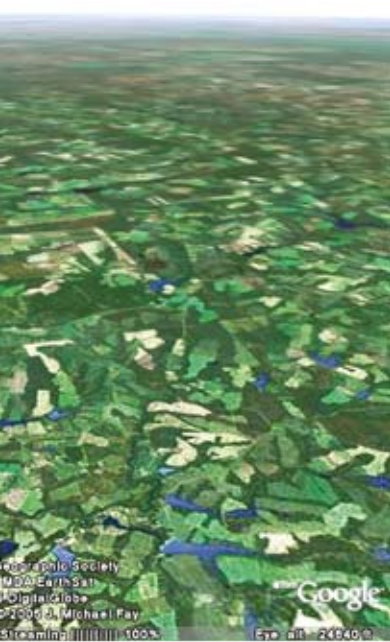
- 01 Southern Zimbabwe from 19,000 feet. Communal lands (untitled) on left, commercial titled land on the right. This is the drought-prone area of Zimbabwe in the Masvingo Province. The line is an administrative boundary.
- 02 Northern Zimbabwe, Mashonaland province. Communal farming on the left, and intensive commercial farmland on the right.

/

- 03 Direct Overhead Shot of Mashonaland Province, an area of heavy rainfall. Communal untitled land on the left, and titled farmland on the right. Note the number of man-made reservoirs on the right to avert frequent droughts. The tan areas on the right are fallow farms, which have rapidly increased in recent years due to land seizures.

Slides created by Craig. J. Richardson, 12/2005. Satellite imagery used with permission from DigitalGlobe and Google

02



03



for food, and needed to import it to feed its people.

With the absence of property rights, Zimbabwe's advanced system of commercial farming quickly liquidated, and tragedy of the commons replaced it. Godwin observed that evicted farmers dug up, sold, or took the irrigation pipes; some ZANU-PF supporters even melted pipes down to sell as coffin handles or scrap metal.²⁰ Thousands of pieces of sophisticated farming equipment, including tractors, were looted, set on fire, or stolen by marauding groups. Most importantly, the people who replaced the commercial farmers lacked the knowledge of running a commercial farm, and many farms were simply left fallow, or the wrong types of inputs were used. Tragically, the former commercial lands now resemble the communal lands – dry, dusty, and barely productive. Yet the government continues to blame droughts for the lack of agricultural production.²¹

Although agriculture was only directly responsible for 15% of the Zimbabwe economy, 60% of the country's non-farm enterprises directly or indirectly depended on commercial agriculture inputs. Seven hundred companies shut their doors by late 2001.²² Tobacco and cotton had once provided for much of Zimbabwe's hard currency, so necessary for imports like fuel, machinery, and medicine, but no longer. Zimbabwe's payments on loans to The World Bank, already overdue, increased even further its payment arrears. Inflation reached 600% at the end of 2003, and by 2005, a 20,000 Zimbabwean dollar bill was worth about 33 cents. Food and basics had simply disappeared from shelves,

and widespread fuel shortages paralyzed the country's autos and planes.

Hundreds of thousands of former commercial black farm workers now were out of work, and most were not rehired by the new tenant farmers, as they were seen as too sympathetic to the white commercial farmers. Most were also members of the opposition political party, Movement for Democratic Change ("MDC"). Now unemployed, they flocked to Zimbabwe's larger cities of Harare and Bulawayo looking for work, or secretly crossed the borders into neighboring South Africa and Mozambique. In Zimbabwe's cities, these newly homeless blacks resorted to building make-shift shanties in the cities, as well as setting up small flea-market stalls, in an effort to make ends meet. The shanties and stalls were not authorized by the government, and thus the individuals had no proof of ownership or formal property rights. As a result, the government took full advantage of this – some say revenge – and began Operation Murambatsvina (Clear Out the Trash), outraging the international community with its cruel and inhumane treatment.

Operation Murambatsvina

In the summer of 2005, the Zimbabwean government bulldozed thousands of shanties, market stalls, and homes. Hundreds of thousands of people were left without homes or jobs. As reported by the British-based Guardian newspaper, the action was aimed at removing what the police commissioner, Augustine Chihuri, described as "this crawling mass of maggots" who had settled into makeshift town-

ships on the fringes of cities.²³ According to the same news story:

“They stood there with their AKs [Kalashnikov rifles] and told us we must knock our own homes down,” said George, a bearded, middle-aged man who told his story as though recounting something utterly unfathomable. “Last night, we all slept on the ground under a blanket with plastic bags over us. This is what the government is doing to its people.”

The government justified its actions by stating that the illegal and untitled structures were a health hazard, they bred crime and also created black markets in currency, goods, and fuel.²⁴ Yet the areas demolished were full of people who had voted for the MDC in the last elections. The MDC said that Mr. Mugabe ordered the destruction as a deliberate reprisal for its criticisms of the Mugabe regime. The Herald, the official daily newspaper, urged “urbanites” to go “back to the rural home, to reconnect with one’s roots and earn an honest living from the soil our government repossessed under the land reform program.”²⁵ Many of these urbanites, being former commercial farm workers, had nowhere to go. As of late July, 22,000 people were arrested or had their property confiscated.²⁶ Reports by the South African-based “Mail & Guardian” (2005) said that police rounded up homeless men, women, and children who had been sheltering in churches and forced them into trucks. The trucks then transported the homeless to grimy rural camps, with meager tents that did little to keep out the cold.

Fifteen kilometers east of Harare in the suburb of Epworth, residents were told to destroy their own homes or pay for the government to bulldoze it down, in seven days or less. The cost charged by the government: 150 US\$ per room. “These [homes] had no approved planning, but for poor people – and considering the semi-rural nature of Epworth – this was housing that could be easily formalized. They were not shacks,” according to an aid worker in a United Nations news report.²⁷

In Harare, bulldozers then moved towards more established properties. Now the government simply ignored the existence of property titles altogether. Bulldozers plowed down fifteen factories and businesses on a prosperous 70-acre site, and then showed up at a large family house rented by the Viljoen family. The police informed Mr. Viljoen that his family’s home was next, since it was an “illegal” property. In fact, the home was thirty years old and the owner of the house held legal title deeds. Mrs. Viljoen, 38, was in the kitchen as the building began collapsing around her. She ran outside as her home was systematically demolished and then flattened. The bulldozer also destroyed the family’s business.²⁸

Another victim of the operation is ten-year old Taurai Manzezi, who now lives in Ngarura, a remote village in eastern Zimbabwe. Last year, Manzezi was one of the brightest Grade 5 pupils at Sakubva Primary School, in the city of Mutare. In June 2005, police stormed and demolished the Manzezi cottage in a suburb of Mutare, leaving his family with no choice but to go back to their rural home. Taurai



04



05

/

04 Zimbabwe boys scavenge pieces of wood from the rubble of a small business center destroyed by police in Chitungwiza, 20 km (12 miles) south of the capital Harare, June 22, 2005. Zimbabwe police continued with their country-wide Operation Restore Order which has seen the destruction of thousands of 'unauthorized' houses, informal markets, businesses, and rural settlements which U.N. experts say has left more than one million people homeless and thousands without the means to earn a living.

05 A Zimbabwean woman nurses her child amidst the debris of her destroyed house in the capital Harare, Zimbabwe, June 3, 2005.

now must herd cattle instead of attending school. “Deep in my heart, I wish I was at school. I know that I deserve a better future than herding cattle,” he told a reporter. According to figures compiled by the government and teachers’ groups, over 300,000 children under the age of 13 were forced out of school as a direct result of the clean-up exercise. Raymond Majongwe, the secretary general of the Progressive Teachers Union noted: “We are happy that the UN has condemned this operation. But it seems no one is taking notice of the children who have dropped out of school, especially those in the rural areas.” For Taurai, his dreams of becoming educated are over. “The schools here refused to take me, saying classes were already full. And my mother told me that even if I had got the place, she would not have afforded the school fees,” he said.²⁹

“This country is upside down now,” said another young man. “Once we had beef and tobacco and maize and now – look – we have to stand in line for petrol, for money, for mealie meal, for sugar. Soon there will be no country left at all.”³⁰

Is there a way out?

Despite the challenges Zimbabwe faces, the parallel case of Nicaragua is an instructive one. Through the 1980s, the Sandinista-led government, under the auspices of a land reform movement, confiscated 170,000 properties. Property titles were declared void, and many industries were nationalized. This led to severe hyperinflation and a sharp economic contraction. The country appeared to be in an intractable position.

In 1990, the Sandinistas were voted out of power, and replaced by the Chamorro-led government, which immediately focused on privatizing the state sector, and lowering trade barriers. Despite significant progress in this area, after two years the economy was still sputtering at around 0% growth. Then the government formed a titling agency in mid-1992 that began the Herculean task of resolving the tens of thousands of land disputes. Through the next four years, the agency settled over 10,000 disputes, and issued property titles. Although many title disputes remain unresolved, there is a salient difference between a government that recognizes property rights versus one that does not. The markets seemed to reflect this new reality. From 1994–2000, Nicaragua’s GDP growth rates suddenly swung upward, averaging between 4 and 5% annually, something not seen for at least two decades. In addition, hyperinflation fell from 12,000% per year in 1990 to just 3.3% by 1994, following a clamp-down on the money supply.³¹

Besides following Nicaragua’s lead in land titling, Zimbabwe should consider two other suggestions from this point forward. First, it should offer some form of compensation to farmers who were forced off their land. In doing so, the government of Zimbabwe would signal to investors that it respects rule of law, and that it acknowledges past missteps. This is part of the slow but important process of rebuilding trust between business and government.

Second, the government should allow women to own land just as men do.

Throughout Africa, women are typically not allowed to be landholders, despite the fact that they do most of the farming. Without a land title, a woman can be cast out of her house if her husband dies, as the property reverts to the husband's brother or father. This, too, is a human rights issue, that denies women the rights to a secure and stable future, and helps keep Africa poor.

The U.S. Supreme Court Justice Anthony Kennedy once wrote, "Individual freedom finds tangible expression in property rights." The case of Zimbabwe vividly shows the reverse to be true: individual freedom and human rights quickly evaporate once property rights are lost, along with economic prosperity. Securing property rights is the first step of many towards restoring economic progress. One hopes this lesson is not lost on other countries of the world, which are themselves at the crossroads of land reform.

Land Reform in Zimbabwe

Craig J. Richardson

- ¹ G. Hill, "The Battle of Zimbabwe," Cape Town 2003, p. 102.
- ² N. Wright, E-mail correspondence to Craig Richardson, October 28, 2003.
- ³ V. V. Sugunan, "Fisheries management of small water bodies in seven countries in Africa, Asia, and Latin America," FAO Fisheries Circular 933 FIRI/C93 November 1997, section 2.3.1.
- ⁴ C. Richardson, "The Collapse of Zimbabwe in the Wake of the 2000–2003 Land Reforms," Lewiston 2004, p. 73–6.
- ⁵ K. J. Billing, "Zimbabwe and the CGIAR Centers: A Study of Their Collaboration in Agricultural Research," CGIAR Study Paper 6, Washington, DC: The World Bank

1985, p. 20.

- ⁶ P. S. Nyambara, "The Politics of Land Acquisition and Struggles Over Land in the 'Communal' Areas of Zimbabwe: The Gokwe Region in the 1980s and the 1990s," *Africa* 71/2 2001.
- ⁷ J. Baker, "Rural Communities Under Stress: Peasant Farmers and the State in Africa," Cambridge 1989.
- ⁸ R. Hill & Y. Katarere, "Colonialism and Inequity in Zimbabwe," IUCN report, Harare 2001, p. 258.
- ⁹ S. Prince, "Deforestation and Degradation in Central and Southern Africa," Satellite photos available at: <http://www.geog.umd.edu/LGRSS/Projects/degradation.html>.
- ¹⁰ G. Kundhlande & M. K. Luckert, "Towards an Analytical Framework for Assessing Property Rights to Natural Resources: A Case Study in the Communal Areas of Zimbabwe," Staff Paper, Department of Rural Economy, University of Alberta 2000, p. 14–8.
- ¹¹ R. W. Johnson, "If People Could Choose," *Focus* 24, Helen Suzman Foundation, December 2001, at: <http://www.hsf.org.za/focus24/zimsurvey.pdf>.
- ¹² International Monetary Fund, Zimbabwe 2003, Art. IV, Consultation-Staff Report, Washington DC, p. 26.
- ¹³ M. Meredith, "Our Votes, Our Guns – Robert Mugabe and the Tragedy of Zimbabwe," *New York* 2002, p. 198–207.
- ¹⁴ Hill (n. 1) p. 110.
- ¹⁵ OECD, "African Economic Outlook 2003/2004–Country Studies: Zimbabwe," Paris 2004, p. 357.
- ¹⁶ IMF 2003 (n. 12) p. 28.
- ¹⁷ World Bank, World Development Indicators (online), Washington 2002.
- ¹⁸ OECD, "African Economic Outlook – Country

- Studies: Zimbabwe,” Paris 2002, p. 306.
- ¹⁹ C. Richardson, “The Damage to Property Rights and the Collapse of Zimbabwe,” *Cato Journal* 25/3 2005.
- ²⁰ P. Godwin, “A Land Possessed,” *National Geographic*, August 2003, at: <http://magma.nationalgeographic.com/ngm/0308/feature5/fulltext.html>
- ²¹ *New African*, “Capitulation is not an option,” June 2005, p. 14–7.
- ²² BBC News, “Bankers slam Zimbabwe’s economic policies,” September 4, 2001, at: <http://news.bbc.co.uk/1/hi/business/1524821.stm>.
- ²³ D. Campbell, “Homeless and hopeless: bulldozers carve out a bleak new reality for poor Zimbabweans,” *Guardian* July 5, 2005, at: <http://www.guardian.co.uk/zimbabwe/article/0,2763,1521337,00.html>.
- ²⁴ Campbell (n. 23).
- ²⁵ D. Blair, “Mugabe’s bulldozers push people back to land,” *News.telegraph.co.uk*, June 6, 2005.
- ²⁶ Campbell (n. 23).
- ²⁷ IRINNEWS.org (UN). “Zimbabwe: Destroy your home or the bulldozers will, residents told,” July 6, 2005.
- ²⁸ Blair (n. 25).
- ²⁹ *Zim Online (SA)*, “Young victims of Mugabe’s clean-up operation cry out for attention,” July 30, 2005, at: <http://www.zimonline.co.za/headdetail.asp?ID=10290>.
- ³⁰ Campbell (n. 23).
- ³¹ Richardson (n. 4) p. 135–41.