

A MIX OF A RAY OF HOPE AND SOME SETBACKS: THE ZAMBIAN PEOPLE'S EXPERIENCES IN 2003

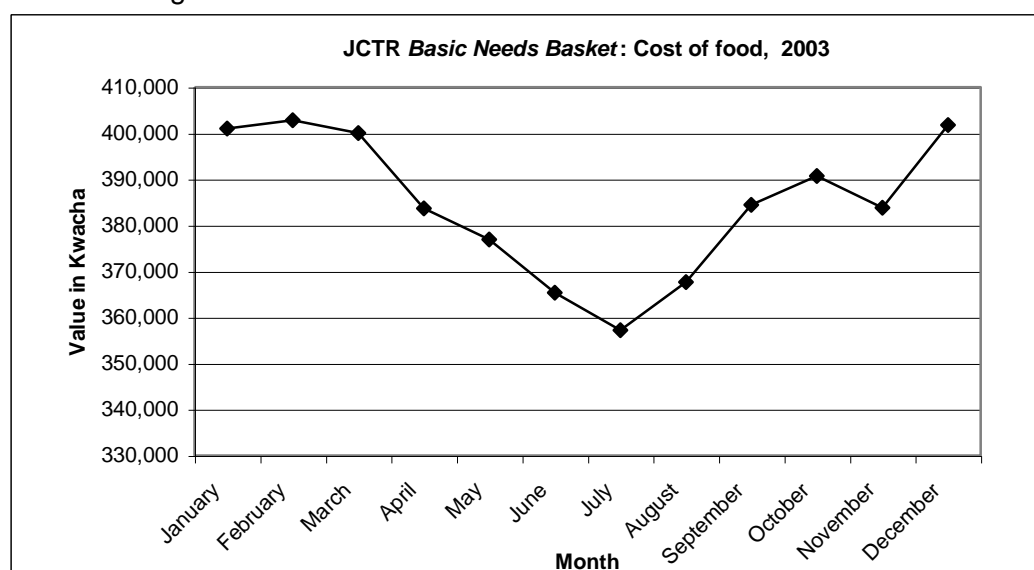
A mix of a ray of hope and some setbacks characterized experiences of the Zambian people in 2003, observes the Jesuit Centre for Theological Reflection (JCTR). The year 2003 witnessed some improvement in the agricultural sector which resulted in adequate food production for the Zambian people. However, other sectors of the economy experienced problems, to mention in particular the education sector on which the formation of human capital, the breaking of the cycle of poverty and development are dependent on.

According to Muweme Muweme, Coordinator of the Social Conditions Research Project of the JCTR, the positive and encouraging outcomes such as comparatively low inflation levels, some relative stability in the price of mealie meal, lessening of loss of value of the Kwacha, etc., associated with the positive outcome in the agricultural sector, prove JCTR's incessant call on government over the years to be involved in the agricultural sector and also to put the agricultural sector as one of the priority sectors of the Zambian economy. It is important, however, to note that food production is one thing and having access to the produced food another.

The JCTR through its monthly *Basic Needs Basket* report (a measure of the cost of living for a family of six in Lusaka) has over the years shown heightened hardships occasioned by price increases in food and essential non-food items necessary for decent human survival. Muweme says that "One of the strengths of an approach such as the *Basic Needs Basket* is that it highlights the extent of the challenge faced by the people in meeting a minimum standard of living."

A review of the *Basic Needs Basket* for the year 2003 shows that the cost of food alone averaged K401,050 in January and 401,800 in December. These were the highest costs in food alone recorded in 2003. It is important to observe that over the years mealie meal has had a significant influence on the overall cost of food. Overall, the same can be said about 2003. However, for 2003 this influence heavily occurred in the first half and part of the second half (July). During the last half, other food items such as meat and fish, and especially green vegetables in the month of December, recorded significant increases which had a bearing on the overall cost of food. It is also important to note that there was a remarkable decline in the cost of food during the beginning of the second half (July) of the year with some increases beginning to occur in the last quarter, followed by some decline in November. (see figure below)

Figure



Another significant feature associated with the year 2003 were the strike actions. "The strike actions, particularly with regard to teachers," says Muweme, "have a direct serious impact on the quality of education and loss of opportunities for the prospect of a better life for many of our young people." This is where it becomes extremely important to ensure that strike actions are avoided through meeting demands such as employee morale, overall conditions of living, etc., that have a direct bearing on the quality of learning.

"Moreover, if we *honestly* and *objectively* look at the reasons for most of the strike actions, be they by teachers or health workers, doesn't it occur to us that the reasons for such actions are usually core to ensuring quality delivery of service and the promotion of poverty reduction?" asks Muweme.

As we begin the year 2004, a few points are critical in relationship with the above observations and most importantly the current debate concerning national "sacrifice" in order to meet Zambia's development aspirations.

- Through the IMF and World Bank, developed countries have managed to put in place a "do as I say approach and not as I do" (e.g., on subsidies relating to agriculture, extent of trade liberalization, etc.) with regard to development strategy. Muweme further says that "the current beneficial outcomes of the agricultural sector are as a result of government involvement in the agricultural sector, a policy position which is generally inconsistent with World Bank and IMF propositions." *Therefore, it is hoped that sacrifice will not mean government rollback in its current strategic involvement with agriculture.*
- It is also important to recognize that there must be beneficial outcomes to the people, especially the poor, in the national "sacrifice" being talked about and not just mere meeting of World Bank and IMF aspirations. In that regard, it is hoped that the sacrifice will mean for the first time moving more resource allocation obtained through cuts from non-priority areas such as the already much talked about expensive travel, unnecessary by-elections, excessive cabinet and district administrators, etc., to improving quality of education and health.
- As a nation, Zambia must strive to build a society where its people not only manage to meet basic needs for decent living but are able to make savings from whatever economic activities they engage in. Savings are the building blocks for the future.
- Instead of talking about increasing taxes in 2003, it is important that government talks more about strategies for employment creation. Anywhere in the world, one observes that the question of employment is not only an economic issue but it is also hugely a political issue. *The current employment, industry and the general economic situation in Zambia poses serious future limitations on the extent to which government will be able to mobilize resources through taxes for development.*
- Related to the above is also the need for government to develop an industrial strategy. Without an industrial strategy it is difficult to see how this nation can realize such results as creation of employment, competitiveness in trade, etc. *In fact, we must realize that trade comes with development and likewise the much desired and sought after foreign investment.*
- The international community should exercise greater flexibility with its conditionalities, particularly those which relate to reaching the HIPC completion point. In any case, aren't some of the reasons for Zambia's failure to reach the HIPC completion inherently critical to poverty reduction?

Muweme says that as we begin the year 2004 with words of serious national "sacrifice", it is always important to remember that, "measures taken during this course of 'sacrifice' should not add disproportionate suffering to the already most vulnerable in our society." "Sacrifice" should also mean increased allocations to education and health to give some hope to this country.

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