

JCTR SAYS 2004 BUDGET PREMISED ON HIPC AND MAY PERMANENTLY DISADVANTAGE SOME PEOPLE

One of the key observable features of the 2004 national budget is that it is highly premised on meeting the Highly Indebted Poor Countries Initiative (HIPC) completion point. This obviously means that its orientation is narrow in terms of responding to other critical needs of the country such as employment creation, adequate funding to both the health and education sectors, ensuring that people lead decent lives, particular attention to the poor, etc. This is the observation of the Jesuit Centre for Theological Reflection (JCTR).

"While it is highly important that Zambia attains the HIPC completion point," says Muweme Muweme, Coordinator of the Social Conditions Research Project of the JCTR, "we should not forget that in the process of instituting austerity measures to achieve that objective, some sectors of the population might be impacted upon negatively to the extent that they may not recover from situations created by those measures."

Zambia's development strategy should be broad and inclusive. Broad in the sense that it must encompass the necessary areas that would assure sustainable development of the country. It must also be a development strategy that is inclusive by ensuring that benefits of the development process must accrue to all sectors of the population, but particularly those in dire need of such development benefits, the poor of this country. In instituting any measures to redress the current development problems, we must also ensure that there are deliberate efforts to protect those already disadvantaged.

The JCTR acknowledges the upward adjustment of the tax threshold from K160,000 to K260,000. But the question still remains: how many employees are going to benefit by this adjustment? The JCTR every month comes up with a monthly cost of basic needs in Lusaka. In the month of January the cost of basic (mealie meal, beans, fish, wash and bath soap, energy, housing, etc.) needs stood at K1,065,900. The cost of food alone is K409,000. Comparatively, it means that the K260,000 can only meet a limited number of these basic needs. It is also important to note that a Zambian worker in the present situation has to be looked at in a wider social context. With the HIV/AIDS and its attendant problem of increased number of orphans and other problems that the Zambian society is facing, an employee's burden of responsibility in Zambia has drastically increased.

According to the JCTR, in order to guarantee future development of the country, in addition to meeting the current challenges, government should have given more attention to the education sector through ensuring that all trained teachers are recruited to address the current problems of inadequate teachers in most of the schools, particularly those in rural areas.

It is the JCTR view that there are other areas which the government should have addressed in relationship to the current debate on economic measures such as the top-heavy government structure (for example, removing the unnecessary and expensive office of the District Commissioner, reducing the size of cabinet, etc) and immediate employment of the already trained teachers. According to Muweme, "these are measures not only for the purpose of meeting the HIPC completion point but also, and more importantly, for the purpose of developing the country."

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