

'New Deal' in Zambia Points the Way

by Lydia Cherry

Zambia's new President, Levy Mwanawasa—the man whom the British wanted to see defeated last December—has begun to unite the country around what he calls his “New Deal,” to replace mining as the central focus of productive activity, with energy-intensive, mechanized agriculture. Zambia, next door to Zimbabwe in southern Africa, has depended on its mining sector since independence. The country withstood a British-orchestrated attempt to fix its Dec. 27 elections—an attempt with similarities to the current effort against Zimbabwe.

“We intend to start damming rivers so that irrigation becomes a Zambian culture,” President Mwanawasa said in his first speech to Parliament on Feb. 22, to much applause from the opposition as well as the ruling party. “My government will place high premium on irrigation. We shall engage some farmers to produce a crop using irrigation and this should start by September.” He said it was the New Deal's intent to transform Zambian peasants into commercial farmers, to provide food security for the country and food exports to its hungry neighbors. He said Zambia should become a livestock exporter to the region.

Japan's decision a few days after the speech to reschedule \$84 million of Zambian debt that will be overdue on April 1, has special value in the context of the New Deal; it is now to be repaid over 33 years.

Mwanawasa, a lawyer, farmer, and former Vice President of Zambia, won a close election that the European Union (EU) and other “monitors” insisted was flawed. This, following numerous irregularities by the EU itself, including encouraging its preferred candidate, Anderson Mazoka, to declare victory before all the votes were in.

President Mwanawasa used his inaugural speech on Jan. 2 to accuse the EU of sponsoring civil strife in the country. The following month in Harare, Zimbabwe, in his role as chairman of the Organization of African Unity, Mwanawasa talked about what had happened in the Zambian election, and suggested, “I think the time has come for Africa to think whether it is necessary to have foreign observers. They are



Levy Mwanawasa

just confusing our nations. We are quite capable of holding democratic elections, and there is no need to call observers. You can imagine if Zambia were to send an observer team to Europe or even to the United States of America!”

The Right Direction

Zambia, a former British colony, adopted the International Monetary Fund's “structural adjustment program” hook, line, and sinker; and predictably, hundreds of thousands of people were rendered destitute. As of 2001, an estimated 80% of the country's 1.3 million people were living on less than \$1 per day. Life expectancy stands at around 37 years. Malnutrition is responsible for 80% of child deaths, former Health Minister Enoch Kavindele said a year ago, and increases mortality from other causes. When former Zambian President Frederick Chiluba in early 2001 tried to back away from privatizing the country's remaining strategic companies, the “international donor community” ran a campaign against him, to keep him from remaining in office. Levy Mwanawasa ran as his chosen successor.

But how could his New Deal possibly succeed? Only with a worldwide shift to the geometry of LaRouche's New Bretton Woods economic proposals, can Mwanawasa's redirection of Zambia—which finds its meaning in that geometry—take hold, but the potential is then great. In discussing the potential of the African continent at a meeting of the Schiller Institute's Feb. 16-17 national conference in Reston, Virginia, LaRouche noted: “Africa has one of the greatest agricultural potentials in area, in actual farming area of any part of the planet. Without infrastructure, there is no point. . . . But with some technology, to fight things like pestilences and disease and food spoilages, Africa would become very quickly a very productive producer of food. You have a hungry market in Southeast Asia, in China, in India, a big market for food of the type that Africa can supply.”

President Mwanawasa announced his agricultural plan on Feb. 22, and the country's 2002 budget, announced a week later, expressed his vision and his hope. The budget more than tripled its financing of agriculture, assigning it 231 billion kwacha (\$50 million), almost three times more than last year. Excise duty was immediately cut on diesel fuel and electricity. Subsidies for fertilizer were announced. The government has also bailed out the ailing Nitrogen Chemicals of Zambia to the tune of K20 billion in working capital, to resume production of fertilizer.

Mwanawasa's plan will provide cheap inputs to reduce costs and stop importation of subsidized maize. The President emphasized, “My government cannot allow default to continue unabated among farmers, agribusiness companies, and politicians.” He told Parliament that importing food was unacceptable, because Zambia had all the resources required to feed itself. He said that to help small-scale farmers become producers on a larger scale, his government would encourage the creation of outgrower schemes (agricultural extension activities, including providing seed, fertilizer, and mechaniza-

tion, and guaranteeing purchase of the crop). A support system for breeding livestock will be created, including disease-free zones for breeding.

Mwanawasa announced that a Crop Marketing Authority will act as buyer of last resort and supporter of agricultural prices and will create a strategic food reserve. Rural bulking and marketing centers will be set up across the country. Farmers will be given special incentives for energy-related expenditures such as electricity and diesel fuel.

Zambia National Farmers Union President Ajay Vashee noted that the President “showed a comprehensive understanding” of agriculture, and that he seemed to understand that agriculture could only thrive if there were investment also in the processing of agricultural products and in infrastructure.

Documentation

Zambian Agriculture Has Collapsed Dramatically

Clayson Hamasaka, in an op ed in Lusaka's (Zambia's capital) The Post on March 1, gives a vivid picture of the collapse of agriculture and its infrastructure in Zambia during the last decade, and assesses the President's New Deal.

There is no doubt that President [Levy] Mwanawasa's speech during the opening of parliament was one of the most promising people have heard in the last ten years. That perhaps explains why there was more applause from the opposition MPs than even from the ruling party. . . . But if one fully digests the economic policies that Mwanawasa presented, you will know that the path is much more complex and difficult than the difficulties he had in presenting his speech. . . . This country has been severely plundered and ravaged to nothing in the past ten years. . . .

Take agriculture for example; it is generally agreed that it should replace the mines as an engine of economic growth. But does anyone know the exact level this sector has been reduced to, and what it will take to bring it to the profitable level it was in the 1970s and '80s, when it was merely supplementing the mining sector? I have to emphasize here that it was merely supplementing mining, and not an engine of growth as we want to make it now. . . .

Let me illustrate what I am talking about here. In Mbabala constituency, Choma district, where I come from, during the good years of agriculture there used to be well-built maize and other agricultural produce storage depots managed by NAMBOARD in almost every village. Food storage chemicals were provided for by the government, depot supervisors

were sent for agricultural seminars to agricultural colleges every year by government. Farmers took their surplus agricultural produce to these agricultural storage depots and were paid cash on delivery if they had a few bags, or paid a week later if they had more bags.

When the storage sheds got full in the village—and that was every week of the harvesting season—the government, through NAMBOARD, hired truckers to transport the agricultural produce from my village to Choma town, where there were bigger storage facilities. Remember, for truckers to accept to come to my village, roads and bridges were being maintained by the then-Mbabala Rural Council. And obviously, there were good incentives for truckers from government to do that business. At the moment, the Mbabala Rural Council cannot even maintain a ten-meter stretch of road, and if you went to my village now, you can never see any signs of the existence of crop storage depots.

The road . . . that led to a storage depot near my village was last graded in 1987; we are in 2002, so you can guess its state now—and that is where we want to develop agriculture, among other areas. I do not think any of the truckers of those days still have a single truck.

Further, I do not even want to imagine the state of the storage facilities in Choma, where our crops were being taken. . . . When storage facilities got full in Choma, the then-efficient Zambia Railways transported the produce to relatively permanent storage in Monze and other towns with silos, but we all now know the dilapidated state of our railways and these permanent storage facilities in many towns.

Coming to my village as an example again, three-quarters of our fields are overgrown with mainly 12-year-old trees and grass. So, as the President delivered his good speech on agriculture, I was imagining how long it will take people in my village to clear those vast pieces of land to respond to the President's call.

And even if they worked hard to clear the land within the next four months or so, I wonder how they would actually till the land, as all the animals for that purpose are now history. My village alone had a million-plus cattle that supported agricultural purposes, but you would be lucky if you counted 20 at the moment. The million-plus animals were well looked after by the then-UNIP government, through the provision of dip tanks, free drugs, and animal treatment every month in designated areas—which can no longer be traced. In fact, the government, using the once-equipped veterinary officers, used to carry out physical counts of the animal population on a regular basis.

Farming activities in those areas were further closely monitored and supervised by agricultural extension officers, who are no longer there, and the agriculture colleges that used to train them are in disrepair.

My conclusion to Mwanawasa's good vision is that if it is implemented consistently for the next five years, at best we can lay a sound economic foundation, especially in agriculture.