

### 3. Unrealised Potential: The 1980s

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#### A. TRANSITION OPPORTUNITIES

In early March 1980, Robert Mugabe and the ZANU-PF won a landslide election victory with over 90 per cent voter participation.<sup>53</sup> ZANU-PF gained 57 of the 80 black seats contested (the constitution set aside twenty seats for whites) and were able to form a government without entering into a coalition.<sup>54</sup> Nkomo was deeply distressed by ZAPU's poor showing. However, Mugabe offered them an informal alliance. Tensions between the two leaders would eventually result in dire consequences. Mugabe officially became prime minister on 18 April 1980, when the country was declared independent.

With much of the world looking on in both anticipation and apprehension, Prime Minister Mugabe took a remarkably conciliatory approach in office. He met repeatedly with Ian Smith, spoke convincingly of the need for coexistence and reconciliation between blacks and whites and entered parliament together with Smith when it opened session in May 1980. In comments clearly designed to reassure the more than 200,000 whites remaining in Zimbabwe, Mugabe told the nation on independence day, "If yesterday I fought you as an enemy, today you have become a friend with the same national interest, loyalty, rights and duties as myself. If yesterday you hated me, today you cannot avoid the love that binds you to me and me to you".<sup>55</sup>

Mugabe also worked to reassure the international financial community to a degree that surprised many of his core supporters, and the government made sure that it did not default on Rhodesia-era international debts. The prime minister insisted the government would embrace capitalism and neither nationalise companies nor seize private property. Prime Minister Mugabe, while officially taking a non-aligned position, generally gave the Soviet Union a cold shoulder, increasing the likelihood of Western support. Mugabe's relatively moderate stance resulted in considerable aid commitments: at a March 1981 donors conference more

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<sup>53</sup> In the run up to the Lancaster House, ZANU and ZAPU had negotiated as a common "Patriotic Front". ZANU subsequently amended its own party name to ZANU-Patriotic Front, or ZANU-PF.

<sup>54</sup> The ZANU-PF took 63 per cent of 2.7 million black votes cast during the three-day election.

<sup>55</sup> "Zimbabwe: A Final Priceless Reward", *Newsweek*, 28 April 1980.

than \$1.8 billion was pledged to assist Zimbabwe during a three-year period, with the World Bank responsible for nearly one quarter of that total.<sup>56</sup> These pledges included overall development programs, with relatively modest amounts allocated for land compensation or redistribution. Prime Minister Mugabe had largely assuaged international concerns about his stewardship and in doing so, effectively pushed land redistribution to the back burner.

At independence, a few thousand white farmers still occupied some 15.5 million hectares of land, and the flight of whites continued, while uncertainty surrounding Mugabe's Marxist leanings depressed real estate prices. Although much of the white-held land was underutilised, overall the white commercial farms were productive and profitable. Large scale farming dominated the economy, producing up to 40 per cent of export earnings and 90 per cent of food on local markets. White commercial farmers demonstrated considerable agricultural expertise and proved resilient in the face of shifting markets. With the cessation of violence in the countryside, their farms were positioned for increased growth and success. The new government took particular care not to alienate commercial farmers. For example, Dennis Norman, the white president of the Commercial Farmers' Union, was appointed minister of agriculture.

Even after independence, white commercial farmers continued to benefit from a playing field distinctly tilted in their favour. Black Zimbabweans, unable to subsist on the crowded marginal land in the Native Reserves, offered a plentiful supply of artificially cheap labour to white commercial farms. Further, given the declining productivity in the communal areas, where an estimated half million rural blacks lived with little access to land and no title, large farms increased their share of the domestic market.<sup>57</sup> In some strategic cases, blacks were prohibited from competing in the market by law, leaving the settlers to reap monopoly profits.<sup>58</sup> The government also provided direct and indirect subsidies to the commercial farm sector, reducing farmer expenses.<sup>59</sup> A steady transfer of white commercial farms to a younger generation of white commercial farmers continued during the post-independence period. A white Zimbabwean commercial farmer noted: "A hell of a lot of whites left after

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<sup>56</sup> "Aid Flows Overflow", *The Economist*, 28 March 1981.

<sup>57</sup> Riddell, *The Land Question*, op. cit.

<sup>58</sup> A 1934 amendment to the Maize Control Act of 1931 taxed black smallholders to subsidise exports by white farmers. Palmer, *Land and Racial Domination in Rhodesia*, op. cit.

<sup>59</sup> For example, a land bank was created in 1912 for white immigrants. Black smallholders were excluded from using this facility until 1980. From 1935 to 1956, a 50 per cent subsidy was introduced to encourage white farmers to build soil and water conservation works.

1980. We stayed because we didn't have a problem with race, and those leaving offered a lot of incentive for young farmers to buy and invest".<sup>60</sup>

With the transition to majority rule, the moment was ripe for the government to implement a far-reaching land policy that would allow black farmers a greater chance of commercial success. As one donor official remarked about the land situation at independence, "There was never a shortage of land in this country. There was a need to deal with the equity issue, and much of the land was underutilised".<sup>61</sup> Indeed, according to one systematic survey, more than 3.8 million hectares of land in eighteen commercial farming areas were identified as underutilised based on three rigorous criteria: population density per square kilometre, planted area as percentage of total area and hectares per head of cattle.<sup>62</sup> Thus, from the start, the government had substantial land available for purchase and redistribution – almost one third of the amount necessary to resettle its goal of 162,000 families.

The new government pursued a land redistribution program based on the willing seller, willing buyer principle of voluntary sales by owners and voluntary purchase by the government. Zimbabwe set a series of upwardly revised targets for land redistribution and resettlement during the early 1980s: in 1980 it aimed to resettle 18,000 families within five years; this target was then elevated in 1981 to 54,000; and in 1982 the target was expanded to resettling 162,000 families on nine million hectares of land by 1985.<sup>63</sup> The British government viewed these rapidly climbing targets as unrealistic, as did some Zimbabwean officials who expressed concern at the lack of strategic planning, the arbitrariness of the 162,000 figure and the government's capacity to resettle so many successfully.<sup>64</sup> Indeed, the program eventually proved itself too ambitious to implement effectively.

The new Ministry of Lands, Resettlement and Rural Development developed several phases and plans for land redistribution: Model A, the most common form of resettlement, focused on small (five to six hectare) plots for individual households; Model B on communal farms; Model C

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<sup>60</sup> ICG interview, Harare, 5 December 2003.

<sup>61</sup> ICG interview, Harare, 11 December 2003.

<sup>62</sup> Cited in Jeffrey Herbst, *State Politics in Zimbabwe* (Berkeley: Univ. of Calif. Press 1990), pp. 53-54.

<sup>63</sup> In 1980, the Zimbabwe government proposed that some 18,000 households be resettled over five years; a year later, in 1981, the government tripled this figure to 54,000 families. By March 1982, the government had revised its figures again, to 162,000 households, which it hoped to resettle by 1985. The British considered this figure totally impracticable, and they were right: it has proved something of a millstone ever since. See Palmer, "Land Reform in Zimbabwe, 1980-1990", op. cit., pp. 163-81.

<sup>64</sup> Jeffrey Herbst, "The Dilemmas of Land Policy in Zimbabwe", in Simon Baynham (ed.), *Zimbabwe in Transition* (Stockholm: Almqvist & Wiksell, 1992).

on a core commercial estate surrounded by smaller holdings; and Model D on pastoral grazing plots.<sup>65</sup> It was hoped that the land redistribution plans would relieve population pressures in the communal areas and begin to provide a greater sense of racial balance in land ownership. A key priority for the government was also to resettle families displaced by the war.

A great deal of land was available during this period, particularly in the war-affected areas of Manicaland, bordering Mozambique, where owners had either been abandoned the land or were eager to sell.<sup>66</sup> Costs were still depressed because of the large numbers of sellers and lingering concerns that the government would take a hard Marxist line. Unfortunately, neither the government nor owners appeared to take a strategic view toward land redistribution. The government put ambitious plans on paper, but implementation was poor. Despite a long history of socialist rhetoric, the government was fairly muted about how it would conduct the land redistribution program and often seemed distracted. When the bureaucracy did try to resettle landless peasants, it became bogged down by organisational problems since as many as 25 ministries, departments and parastatals were involved in the complicated process.<sup>67</sup>

The government's failure to craft and implement a workable program made it easier for both commercial farmers and donors to shirk their responsibility to establish a more equitable system of land use and ownership. Land owners were more eager to sell off underutilised land of marginal commercial value than to embrace a wholesale redistributive effort. A MDC parliamentarian lamented the lost opportunities of the immediate post-independence period, "In 1980, Mugabe was a hero, he was a liberator. He could have made a moral case for demanding aid for land redistribution".<sup>68</sup> Blame did not rest solely with Mugabe. A Zimbabwean social scientist maintains that the commercial farmers were equally to blame for not taking the situation more seriously: "The white farmers shot themselves in the foot by not being sincere in their approach to the first stage of land reform".<sup>69</sup>

To assist the new government's resettlement program, in 1980, the British government committed a grant of \$47 million for land resettlement. UK matching funds were made available, for, among other things, acquisition of land.<sup>70</sup> Unfortunately, the British funds came with a

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<sup>65</sup> See Bertus de Villiers, *Land Reform: Issues and Challenges* (Johannesburg, South Africa: Konrad-Adenauer-Stiftung, April 2003).

<sup>66</sup> Roughly a third of all families resettled in the 1980s were given land in this region. Herbst, *State Politics in Zimbabwe*, op. cit., p. 53.

<sup>67</sup> Ibid, p. 48.

<sup>68</sup> ICG interview, Harare, 8 December 2003.

<sup>69</sup> ICG interview, Harare, 6 December 2003.

<sup>70</sup> Up to 1988, land acquisition expenses amounted to 44 per cent of total program costs.

somewhat onerous formula. Instead of putting money for land purchases up front, London wanted the Zimbabwean government to pay 100 per cent of the cost to purchase land and be reimbursed subsequently for 50 per cent. While British officials could make an accounting case for this approach, it tended to mire the bureaucratic process and contribute to both donors and government missing the window when land redistribution could have been most effective. A British diplomat acknowledges that "opportunities were missed on both sides".<sup>71</sup> An additional \$56 million was granted as program aid, \$23 million of which was used to finance Zimbabwe's share.

The government of Zimbabwe, donors and white commercial farmers seemed to realise collectively that resettling 162,000 families – and making them viable farmers – demanded far more resources, capacity and support than they were willing to commit. Buying the land proved to be the easy part; land purchases accounted for only 44 per cent of the total resettlement costs in the first years of the program.<sup>72</sup> More costly and more complicated was turning landless peasants into successful farmers, which required technical training, extension services and reliable infrastructure (e.g., roads, schools and health clinics). The high costs beyond purchase meant that some of the underdeveloped land acquired by the government simply sat idle because it did not seem economical to resettle families on it. As international financing tightened in the early 1980s, many commercial lenders pulled out, leaving the IMF to become an increasingly prominent lender.

In 1985, the government introduced the first Land Acquisition Act. Among other things, this measure obligated farm owners to obtain a "certificate of no present interest" from the state before selling or leasing land to another party. This gave government the right of first refusal on all large commercial farms for sale. Government consent was sometimes opportunistically withheld, resulting in foreclosure by the Agricultural Finance Corporation and acquisition of the farm at less than market value. However, these regulations were subject to considerable litigation. It is also important to note that the "no present interest" certificates did not include any suggestion that the government could reverse its position at a later date and retroactively declare official interest in obtaining the property. Real estate changed hands at a relatively brisk pace during the 1980s. Many farmers' groups rightly argue that the claims of "historical injustice" in land ownership patterns were belied by the fact that the majority of commercial farmers in Zimbabwe held these certificates issued after independence.

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<sup>71</sup> ICG interview, Harare, 10 December 2003.

<sup>72</sup> B.H. Kinsey, "Forever Gained: Resettlement and Land Policy in the Context of National Development in Zimbabwe", in J.D.Y. Peel and T. Ranger (eds.), *Past and Present in Zimbabwe* (Manchester: Manchester Univ. Press, 1983), p. 104.

Many of the whites that now held farms in Zimbabwe were new investors who had paid for their farms and were not direct beneficiaries of colonial land seizures (although they were likely indirect ones). While the government may have decent grounds to argue that farmers were reluctant to sell commercial land at what government officials viewed as a reasonable price, it is difficult for it to maintain that only marginal lands were available when it repeatedly issued no present interest certificates on some prime land. Further, while thousands of families were resettled in the early 1980s, it was clear that the rate of resettlement could not keep pace with the growth of population in the communal areas.<sup>73</sup>

Land and white farmers were far from the most pressing issues on the government's mind. Prime Minister Mugabe and the ZANU-PF were increasingly occupied with handling what they perceived as their two greatest threats: Joshua Nkomo's ZAPU party and South Africa's white minority government.

## **B. ENEMIES WITHIN; ENEMIES WITHOUT**

In the late 1970s and early 1980s, South Africa's white minority government embraced a "Total Strategy" to destabilise regional governments and prevent them from supporting the liberation movement within South Africa. Pretoria repeatedly relied on military operations outside its borders to advance this agenda. While Zimbabwe was not the primary target – more resources were invested in supporting the Mozambican National Resistance (RENAMO) and the Union for the Total Independence of Angola (UNITA) – South Africa employed former members of the Rhodesian security and intelligence services and exploited the rivalry between ZANU-PF and ZAPU.<sup>74</sup> By masterminding attacks on the government within Zimbabwe, South Africa did not aim to achieve outright conquest, but simply hoped to keep the country fundamentally destabilised. Among its most notorious attacks, in 1981 South Africa had a hand in the sabotage and destruction of a large arsenal at the Inkomo barracks. Later that year, ZANU-PF headquarters in Harare were heavily damaged in a bomb blast that some suspected was designed to kill Mugabe. In July 1982, a majority of Zimbabwe's air force – thirteen aircraft at the Thornhill air base – was destroyed by sabotage, surely planned with insider knowledge.

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<sup>73</sup> Zimbabwe's population grew more than 3 per cent annually for much of this period, with some 7 million people living in communal areas. See the United Nations Development Program, *Zimbabwe Land Reform and Resettlement: Assessment and Suggested Framework for the Future*, Interim Mission Report, January 2002.

<sup>74</sup> White ex-Rhodesian officers were integrated into the South African security services, as were thousands of rank and file white and black former Rhodesian soldiers.

While it was difficult to prove South Africa's involvement in the Thornhill raid, there seems little doubt that it was part of that country's broader "Total Strategy".<sup>75</sup> South African collaborators also regularly disseminated disinformation linking ZAPU to violent incidents within Zimbabwe, heightening the risk of a direct clash between ZAPU and ZANU-PF. In an environment replete with enemies both real and imagined, tensions between white and blacks and between the two former insurgent movements steadily escalated.

Prime Minister Mugabe assiduously attempted to reassure the international community of his moderation and importance as a regional statesman, but he remained deeply distrustful of his ZAPU partner and rival, Joshua Nkomo. Although some ZAPU members, including Nkomo, had received relatively token government positions, Mugabe viewed the group as a threat and painted it as eager to serve as a South African collaborator.<sup>76</sup> These tensions had considerable ethnic overtones, since ZANU drew most of its support from the majority Shona population, while ZAPU was largely supported by the Ndebele in Matabeleland. The Catholic Commission that investigated the Matabeleland violence, discussed below, that erupted during the early 1980s observed:

The antagonisms between the two guerrilla armies hardened into hostilities between their political parties, as ZANU-PF became convinced that ZAPU was supporting a new dissident war in order to improve its standing in the country. ZAPU, in turn, has expressed its belief that ZANU-PF used the pretext of the disturbances as a long-awaited opportunity to crush ZAPU once and for all. There is no denying the political nature of events as they unfolded in the 1980s, as the Shona-speaking, ZANU-PF-supporting 5 Brigade ruthlessly persecuted the Ndebele-speaking, ZAPU-supporting residents of Matabeleland.<sup>77</sup>

Mugabe's first election, and the reconfiguration of the security services to include elements of ZANU-PF, ZAPU and the former military, increased tension between former guerrilla fighters. Both ZANU-PF and ZAPU took provocative steps in the early post-independence period, and limited clashes broke out during the demobilisation process as early as 1980. Government officials close to Mugabe spoke publicly of the need to act

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<sup>75</sup> The chief of staff of the Zimbabwe Air Force was accused of assisting the raid. He was detained and tortured although the case against him was dismissed for lack of evidence.

<sup>76</sup> The ZAPU party received four portfolios in the 23-person cabinet.

<sup>77</sup> Catholic Commission for Justice and Peace in Zimbabwe, *Report on the 1980s Disturbances in Matabeleland and the Midlands*, March 1997.

against ZAPU, and Mugabe himself struck a clandestine deal with North Korea to train elite ZANU-PF units for counter-insurgency. This force – 5 Brigade – was trained to act with a ruthless disregard for the law. Some militant elements within ZAPU cached arms in anticipation of a violent confrontation. Banditry by both sides during 1980 and 1981 contributed to the tension and a general sense of lawlessness. While the government faced some disturbing security challenges during this period, including the recruitment of limited numbers of former ZAPU fighters as South African provocateurs, its response was excessive and disproportionate to the threat.

Instead of targeting the violent dissidents – several hundred former ZAPU fighters – the government launched a full-scale military campaign in Matabeleland, killing and intimidating the Ndebele population. Prime Minister Mugabe accurately presaged the violence in a 1982 speech to parliament: "An eye for an eye and an ear for an ear may not be adequate in our circumstances. We might very well demand two ears for one ear and two eyes for one eye".<sup>78</sup> Government atrocities against civilians were widespread, and between 10,000 and 20,000 people died in the fighting.

The 1985 elections ratcheted up tensions. When Ian Smith's Conservative Alliance won fifteen of the twenty parliamentary seats set aside for whites, Mugabe spoke harshly against the Lancaster House constitution saying, "We will not live with that indignity and insult very much longer. That dirty piece of paper [the constitution] will be cleansed".<sup>79</sup> However, ZANU-PF also did well, taking 63 of the 80 remaining seats. ZAPU continued to show strength in Matabeleland, but other parties largely disappeared. There were marked incidents of violence against opposition party supporters by ZANU-PF backers.

By the end of 1987, the Matabeleland campaign was over. A proper investigation of the violence was never officially conducted. ZANU-PF and ZAPU papered over their differences and merged, keeping the name ZANU-PF. Nkomo was made one of two vice presidents, although Mugabe and his trusted ZANU-PF advisers remained very much the senior partners. South Africa had modified its "Total Strategy" by this point. The Lancaster House provision that set aside twenty seats for whites expired in 1987, and Prime Minister Mugabe was made executive vice president, initially for a term of three years, to expire at the regularly scheduled 1990 election. Importantly, with the removal of the white parliamentary seats and the absorption of ZAPU, the ruling party no longer faced an effective opposition.

All too often, the violence of the 1980s has gone unconsidered in discussions of the land problem. Certainly, the focus on South African adventurism and ZAPU dissidents helps explain why Mugabe and his party

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<sup>78</sup> Martin Meredith, *Our Votes, Our Guns* (New York: Basic Books, 2002), p. 65.

<sup>79</sup> *The Financial Times* (London), 21 August 1985.



were distracted from land policy. It is also telling that Mugabe was more than willing to use widespread violence and intimidation in the countryside to undermine ZAPU while diverting public attention from serious woes, including several years of drought, growing inflation and a steadily rising tax burden. Worse still, the fact that the Matabeleland violence received very little international condemnation sent a dangerous signal to Mugabe that he could get away with internal repression. The early 1980s also saw an end to his rhetoric of reconciliation toward the white minority.

Within three years of independence, half that minority had left the country and those that remained were increasingly detached from civic life.

Despite the tumult of the early and mid-1980s, however, white commercial farmers grew increasingly confident that the government would not embark on wholesale nationalisation or land seizures. Commercial farming continued to generate significant profits, and real estate prices, which had fallen between 1977 and 1984, bounced back. Many new faces were involved both in the white commercial farms and the small but emerging class of wealthier black farmers who often had connections to ZANU-PF. Resettlement of those displaced by the independence struggle was largely accomplished. Growing political stability sharply reduced the availability of affordable land for resettlement plans and made acquiring additional properties more expensive for both government and donors. It is ironic that the government succeeded so well in reassuring investors that it undercut its ability to move forward with land redistribution. Further, the government had still failed to institute a systematic approach to agriculture, and Zimbabwe's budgetary commitment to the Ministry of Lands, Resettlement and Rural Development was curtailed. It appeared that the government was directly scaling back expectations for land redistribution as part of its central political agenda.

The land resettlement program, particularly with regard to small Model A farmers, actually fared rather well. As a Zimbabwean official connected with the land program during that period noted, the Model A farms had "better than reasonable production", despite the fact that "the production picture on cooperatives was not as bright".<sup>80</sup> Between 1980 and 1989, some 3.3 million hectares were redistributed to 54,000 families. Though sizable, this was well below the government's stated target of redistributing land to 162,000 families by 1985. Nevertheless, with an infusion of donor funds, over 80 per cent of this land had been acquired by 1984 on the willing seller, willing buyer basis in the Lancaster House constitution.<sup>81</sup> The largely orderly resettlement of more than 50,000

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<sup>80</sup> ICG interview, Harare, 10 December 2003.

<sup>81</sup> Martin Adams et al., *Report of ODA Land Appraisal Mission to Zimbabwe*, British Development Division, Harare, October 1996. Not all the \$47 million was disbursed by

families in such a relatively short time was impressive, and the majority of those families had benefited from increased opportunities for income generation, as well as health and educational facilities.<sup>82</sup> *The Economist* enthused that with an economic return of approximately 21 per cent, the program was "one of the most successful aid schemes in Africa" but also warned of stark economic challenges ahead: "real incomes are little above 1980 levels, real wages have fallen and unemployment is expected to treble to three million by the end of the century".<sup>83</sup>

Toward the end of the first decade of majority rule, in 1988, a British evaluation of land redistribution reached mixed conclusions. Citing the concept as fundamentally worthwhile, the evaluation found that the performance of small land holders on redistributed land had in some areas exceeded expectations, and that land redistribution involving poor, land-hungry farmers from communal areas had the potential to generate significant social and economic benefits. Ongoing studies by Bill Kinsey and colleagues systematically comparing the welfare of farmers in resettled areas to a control group from original communal areas have demonstrated increases in crop production and revenues, larger livestock equivalents and more equitable distribution of incomes for resettled farmers.<sup>84</sup> Yet, the initial phase of Zimbabwe's program also underscored the importance of providing basic infrastructure and support services to new farmers. Research confirmed that whether in communal or resettled areas, when appropriate extension services and agricultural policies were established, real improvements in yields, productivity, incomes and human development were feasible.<sup>85</sup>

However, the UK evaluation also revealed growing British scepticism of Zimbabwe's administrative capabilities and its ability to sustain its level

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the UK during the 1980s. It was reported that a remaining sum of UK assistance amounting to \$5.7 million was suspended in 1989 after questions were raised about Zimbabwe's capacity to implement the program effectively.

<sup>82</sup> John Cusworth and Judy Walker, *Land Resettlement in Zimbabwe: A Preliminary Evaluation* (London: Overseas Development Administration, 1988).

<sup>83</sup> "Land-hungry", *The Economist*, 28 October 1989.

<sup>84</sup> One downside to the success of the resettlement program is it attracts extended family members and increases household sizes on the resettled farms. This has driven down income levels and consumption in the resettled areas. J.G.M. Hoogeveen and B.H. Kinsey, "Land Reform, Growth and Equity: Emerging Evidence from Zimbabwe's Resettlement Program – A Sequel", *Journal of Southern African Studies* 27, no. 1 (March 2001), pp. 127-136; B.H. Kinsey, "The Implications of Land Reform for Rural Welfare", in T.A.S. Bowyer-Bower and Colin Stoneman (eds.), *Land Reform in Zimbabwe: Constraints and Prospects* (Burlington: Aldershot, 2000).

<sup>85</sup> For example, see B.H. Kinsey, "Land Reform, Growth and Equity: Emerging Evidence from Zimbabwe's Resettlement program", *Journal of Southern African Studies* 25, no. 2, pp. 173-196.

and pace of achievement. Due to the scarcity of funds and general mismanagement, the country suffered a critical loss of qualified public service personnel, a serious shortage of technical specialists, including land surveyors and engineers, and concerns grew about the quality of fiscal management. There were also troubling signs that land distribution and access were tilting to favour a new black elite.<sup>86</sup> And despite the government's socialist rhetoric, the inequity of ownership was increasingly compounded by the desire of new black political leaders to become large landowners. These new elites appeared more than willing to take advantage of the unclear definition of "underutilised land" and the absence of guidelines for land reform.<sup>87</sup> In 1989, these concerns led the British to suspend disbursements to the first phase of the program.

Resettlement slowed sharply in the late 1980s, dipping below 5,000 families a year. The government also struggled to help newly relocated farmers succeed over the long haul, including provision of infrastructure and basic social and agricultural extension services. While the total number of resettled people was significant, population pressure on the communal areas (where the annual growth rate was over 3 per cent during the 1980s) had not diminished. A civil society activist argued, "Despite the rhetoric and despite being an issue where they could burnish their socialist credentials with little harm to their international economic position, the government just did not make land reform much of a priority".<sup>88</sup> Further, the Matabeleland violence had left raw wounds across society that would not heal for years.

Zimbabwe was also increasingly squeezed by economic forces that would help set the table for the political turmoil of the late 1990s. The World Bank encouraged export promotion and urged Zimbabwe to adopt a series of austerity measures to reduce the country's perennially high fiscal deficit (around 10 per cent of gross domestic product). However, because the government largely spared both the military and inefficient parastatals from budget cuts, it slashed important social services. Further, because the new government relied heavily on international loans in the early days of independence, debt service was consuming 37 per cent of export earnings by 1987. Smallholders had defaulted on more than 75,000 of 94,000 government loans, aggravating the fiscal crisis. As international

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<sup>86</sup> Moyo, *The Land Question in Zimbabwe*, op. cit.

<sup>87</sup> See for example, Thomas Munjoma, *Zimbabwe Independent*, 12 May 2000. The government's support for black commercial farms – through loans made available by the Agricultural Finance Corporation – was directed to a number of new black farmers with large holdings. Some of these new black holders acquired farms of up to 5,000 hectares in prime agricultural areas.

<sup>88</sup> ICG interview, Harare, 2 December 2003.

borrowing conditions – in particular the reduction of the fiscal deficit – were increasingly imposed, the government sharply cut food subsidies and trimmed spending on health and education. With elections in 1990 and the tenth anniversary of the Lancaster House constitution looming, land would re-emerge as a potent political issue.