

Hard times



*A pregnant woman stands in her empty kitchen, rural Gwanda, October 2011.
"No food, no work, no money. If only I could get cattle to help me plough."*

**Matabeleland: urban deindustrialization
- and rural hunger**

SOLIDARITY PEACE TRUST

2 November 2011

“If government improves, our lives may....”

“Failed rains brought us problems and donors seem to have disappeared....”

“The children go to school without eating and are turned away for failing to pay levies. Life is so difficult and drought makes it impossible....”

“I have put my hope in my children, I do not see how I can survive in the future otherwise....”

“I hope for better things if some family members find work....”

[Voices of villagers interviewed in Gwanda rural,
September 2011]

“As far as I am concerned, just go and buy your own seeds and don't wait for something to materialize from government because it will come too late to be useful – if it comes at all....”

[AREX official, 28 October 2011]



THE SOLIDARITY PEACE TRUST

The Solidarity Peace Trust is a non-governmental organisation, registered in South Africa. The Trustees of the Solidarity Peace Trust are church leaders of Southern Africa, who are all committed to human rights, freedom and democracy in their region.

The objectives of the Trust are:

To assist individuals, organisations, churches and affiliated organisations in southern Africa, to build solidarity in the pursuit of justice, peace and social equality and equity in Zimbabwe. It shall be the special concern of the Trust to assist victims of human rights abuses in their efforts to correct and end their situation of oppression.

Contact: info@solidaritypeacetrust.org

www.solidaritypeacetrust.org

for all previous reports, videos, blogs and comment pages

Contents

Recommendations	6
<i>Part One:</i>	7
A. Heat and hunger: October in Matabeleland	7
1. Donor plans for Feeding of Vulnerable Groups 2011-12	7
2. Rainfall predictions – implications for planting	9
3. Free and subsidized inputs for 2011 – 2012 growing season: Not too little, but too late?	9
4. Lack of coordination within government	12
B. Matabeleland: socio-economic context 2011	13
1. The national economic context	13
2. Overview of Zimbabwe economy: 1980 – 2010	14
3. Bulawayo and deindustrialization	15
4. DIMAF	19
 <i>Part Two:</i>	 21
A. The GPA and the human rights situation, October 2011	21
B. Matabeleland South: Findings of food security survey, October 2011	22
1. Methodology	22
2. October follow up	22
3. Summary of findings	22
i. Demographics	22
ii. Food security	23
iii. Available but unaffordable	24
iv. Additional food information	25
v. Water security	26
vi. Livestock	28
vii. Barter trading	30
viii. Harvests, 2011 and 2012	31
ix. General interviewee perceptions of economic status	32
C. The Diaspora – who is out there and what do they send back?	33
1. Year of Diasporisation	34
2. Home visits by family in the Diaspora	34
3. Remittances	34

Photographs

<i>Cover photo:</i>	<i>A pregnant woman stands in her empty kitchen, rural Gwanda, October 2011. “No food, no work, no money. If only I could get cattle to help me plough.”</i>	
<i>Photos 1 /2:</i>	<i>Gwanda district, 27 October 2011: this family painstakingly gathers up maize seeds for planting, that have leaked from a passing truck on to the road. Will these be their only timely “free inputs” for 2011/12?</i>	11
<i>Photo 3:</i>	<i>Empty silos, abandoned processing plant – “Red Seal” food company in Bulawayo, one of many closed businesses.</i>	16
<i>Photo 4:</i>	<i>Once, these train tracks brought raw materials to this factory and carried away finished goods for export. Bulawayo industrial site, October 2011.</i>	16
<i>Photos 5, 6:</i>	<i>The only functioning borehole in the target area, with 85% of people</i>	27

reporting up to three broken boreholes in their vicinity. Nearly 70% of families reported sourcing water from a river-bed and 20% from a well.

Back cover: One third of households we interviewed expect to lose livestock to starvation before the end of 2011: Gwanda district, October 2011.

Graphs

<i>Graph 1: showing food insecurity based on number of meals and food stocks</i>	24
<i>Graph 2: showing percentage of families that have food other than maize meal and vegetables in the homestead on day of interview</i>	26
<i>Graph 3: showing as a percentage which foods interviewees reported having eaten, other than maize meal and vegetables in the last week .</i>	26
<i>Graph 4: showing total livestock in all households in 2010 (left column) and 2011 (right column)</i>	29
<i>Graph 5: showing percentage of families that do NOT own livestock</i>	29
<i>Graph 6: showing percentage of families expecting to lose livestock before end of 2011</i>	30
<i>Graph 7: showing percentage of families using barter as a survival strategy</i>	30
<i>Graph 8: showing last year's harvests</i>	31
<i>Graph 9: showing percentage of diaspora families having different numbers of family abroad</i>	33
<i>Graph 10: showing when family members left for the diaspora</i>	34
<i>Graph 11: showing frequency of remittances from diaspora members</i>	35

Abbreviations

AREX	Agricultural Extension Office
CFU	Commercial Farmers Union
DIMAF	Distressed and Marginalised Areas Fund
ESAP	Economic Structural Adjustment Programme
FAO	Food and Agricultural Organisation
FEWS NET	Famine Early Warning System Network
FVG	Feeding of Vulnerable Groups
GPA	Global Political Agreement
MDC	Movement for Democratic Change
MDC T	Movement for Democratic Change, Tsvangirai
MLF	Mthwakazi Liberation Front
NGO	non governmental organisation
NRZ	National Railways of Zimbabwe
SADC	Southern African Development Community
SPT	Solidarity Peace Trust
USAID	United States Development Agency
WFP	World Food Programme
ZIMVAC	Zimbabwe Vulnerability Assessment Committee
ZANU PF	Zimbabwe African National Union, Patriotic Front
ZAPU	Zimbabwe Africa People's Union

Recommendations

1. The first rains have already fallen in much of the country and there is therefore an urgent need for the already planned distribution of free and subsidized inputs to reach the most vulnerable families immediately, by mid November if possible, to increase the likelihood of these households harvesting anything this season.
2. Identification of the most vulnerable households is therefore urgent.
3. Free and subsidized inputs should be distributed first in those areas that are known to have poor rainfall and that suffered serious crop failure last year: planting late in such areas will increase the risk of another crop failure, particularly as average rains are being predicted in the first part of this season, with poor rains in 2012.
4. Humanitarian relief is urgently needed and the delay in roll out of feeding of vulnerable groups that we note in some districts in this report, needs to be ironed out as fast as possible, as many families are already compromising severely on their daily food intake.
5. The grinding poverty of many rural Zimbabweans needs to be a priority with government and with the international community: there is a need to urgently address matters of economic development, as food handouts cannot be a permanent solution.
6. It is therefore imperative for the SADC facilitation to proceed with greater urgency in order to facilitate a more constructive dialogue with the donor countries over more substantive development assistance, even during this interregnum phase of the GPA.
7. Civil society in Zimbabwe needs to include the social and economic rights of all Zimbabweans on their lobbying agendas, broadening their current focus from human rights and political rights.
8. The recommendations made to Cabinet to promote the recovery of industries in Bulawayo, need to be implemented speedily in order to regenerate some of the 20,000 jobs lost there in the last two years.
9. The Government of South Africa should reconsider its policy of renewed deportations of Zimbabweans, which is poised to exacerbate poverty and hunger in many parts of Zimbabwe.

PART ONE

A. Heat and Hunger: October in Matabeleland

As we enter the closing months of 2011, the residents of Matabeleland and Bulawayo are facing particular challenges within a greater Zimbabwean context that remains very difficult for all low-income families. While nationally Zimbabwe is more food secure at the end of 2011 than it has been for several years, parts of Zimbabwe suffered serious crop failure earlier this year and many households remain too impoverished to purchase maize meal from stores. Households scattered throughout Matabeleland are already dealing with severe hunger. By *late September*, one in ten families in two rural wards of Gwanda, Matabeleland South, reported entire days without any meals once a fortnight at least, with *almost half* of households indicating a day without food in the last two months.¹ Only 17% of families reported eating three meals a day, meaning that 83% of households were, weeks before the onset of the official “hungry season”, already making food compromises daily. The randomly selected sample group included families with large numbers of children, grandchildren and orphans. A follow up of some of these families in late October showed a worsening situation. Grazing is critical, and people are traveling further to find water. This has been one of the hottest Octobers on record. Several families reported that baboons were killing and eating young goats and chickens, as the hunger now affects all living creatures in this area. Several families had no livestock left at all, not even one chicken.

This hunger - already so extreme ahead of the recognized “peak hunger season” that officially lasts from October to February - is taking place at a time when Bulawayo, traditionally the source of employment and resources for Matabeleland, has seen a cataclysmic loss of jobs in industry in the last two years. This means that part of the greater support system for rural Matabeleland is highly compromised.

Deportations

As deportations from South Africa gain momentum, the 17% of rural families that receive monthly remittances stand to lose this little extra means of support. All 47% of families with members in the diaspora will have extra mouths to feed during the hungriest months of the year, as or when the deportees return.² Deportees to Zimbabwe have little likelihood of finding formal, productive employment and will merely exacerbate the plight of struggling households.

1. Donor plans for Feeding of Vulnerable Groups (FVG) 2011-2012

Matabeleland South, southern Midlands, Masvingo and parts of Manicaland had the least successful harvests last season, and have the highest vulnerability. Donors have predicted that the prevalence of food insecure households will be lower at the end of

¹ Most of Matabeleland South suffered almost total crop failure in the last growing season – as did extensive parts of Midlands, Masvingo and parts of Manicaland. The hunger we document in this report is being experienced more widely in Zimbabwe.

² See Part Two of this report for more details on the Gwanda survey: we found that 47% of families had up to 3 family members in South Africa, but only 17% received remittances of \$25 per month or more.

this year than last year, with about 12% of the total rural population, or around one million people being vulnerable, down from 15% last year.³ By September, our own findings in Gwanda – which in the Zimbabwe Vulnerability Assessment Committee (ZIMVAC) report, as in the Famine Early Warning System Network (FEWS NET) report, is *not* identified as among the most needy districts - indicate that, in some wards at least, more than 20% of families may be seriously food insecure.

There is enough grain in the country this year to meet consumption, with between 900,000 and 1,6 million tonnes estimated to have been harvested.⁴ Maize is also currently being freely imported into the country, at a lower price than that of locally produced maize, so the assumption is that families will be able to purchase maize within their vicinity. We noted that maize meal was indeed available even in rural stores, and so are seeds for planting, but at \$5 to \$7 for 10 kg maize meal and \$23 per 10 kg bag of seed, they are unaffordable to a significant proportion of families. *One in five families had no maize meal at all in the house on the day we visited.*

Hunger is being compounded by the slow roll-out of donor food for vulnerable families. CARE will not be rolling out its Feeding of Vulnerable Groups (FVG) in Gwanda for several weeks yet, as they are only beginning their process of identification of beneficiaries in November. There has been no donor feeding or Food For Work for several months in this area. This means that already-desperate families will only begin to receive food nearly two months into the peak hunger period – when some of these families have been in crisis since early September. This has implications, particularly for children, who suffer high rates of stunted growth in rural Zimbabwe.

CARE intends to reach 18% of Gwanda residents with FVG this year, or 26,000 people. They agree with our assessment that roll out is not happening fast enough, but they have other livelihood-linked programmes to wrap up and do not have the capacity to move any faster on the programme. The 18% target will reach a good number of those most vulnerable, bearing in mind our finding that 21% of families were already, two months ago, eating only one meal a day, although it is clear that everyone in serious need may not be reached.

The identification of most needy families is an issue that needs to be kept permanently in mind by donors, who rely largely on communities and their leadership to put the families forward. This leaves the system open to abuse along political lines, or other lines based on long standing community disputes where some families may be ostracized. However, donors in Zimbabwe have years of experience in circumnavigating this and have shown that they react quickly when this is flagged.

³ FAO and WFP: “Agricultural Produce and Inputs Markets: to assess the functionality of rural markets for agricultural inputs as well as agricultural produce”: report disseminated in Sept 2011.

⁴ The FAO/WFP report talks of a harvest in 2011 of 1,6 million, but this estimate was made in April: in October, the CFU refers to 900,000 tonnes of maize.

2. Rainfall predictions – implications for planting

Analysts seem to disagree on the prospects for rain this season. FEWS NET refers to the likelihood of scattered rains until December, with better rains in the new year,⁵ but the Zimbabwe Meteorological Office and the Commercial Farmers Union (CFU) predict precisely the opposite – reasonable rains from now until the end of the year, followed by a dry stretch in the new year, which has become the regular pattern in the last few seasons.⁶

The difference is important, as if the CFU is correct, communal farmers, particularly in low rainfall areas such as Matabeleland, should be planting by ***no later than mid November*** if they are to harvest anything. Large-scale commercial farmers are predicting a lower harvest this coming season, owing to problems with procuring inputs caused by late payment by the Grain Marketing Board for grain delivered earlier this year. This means that debts from last season are not yet serviced, compromising loans for the coming season.⁷ The CFU stresses the importance of commercial farmers also planting by mid November this year.

AREX officials are currently recommending “dry planting” in Matabeleland to increase the chances of harvesting, which means planting before the first rains - ie *right now* - and they also recommend staggered planting, with some seed planted early and some later, so that whatever the rainfall pattern, something should be harvested.⁸

But this is all academic for those families that cannot afford inputs right now. The first rains have fallen in some parts of Matabeleland and are looming elsewhere, and a few weeks’ delay in planting in these low rainfall areas could be the difference between harvesting and not harvesting by April. Based on the current state of affairs, for Matabeleland South’s poorest families, 2012 may be poised once again to be a year of great hunger and crop failure.⁹

3. Free and subsidized inputs for 2011-2012 growing season: Not too little, but too late?

There is little evidence that subsidized seed and fertilizer inputs are being made available *timeously* for the current planting season, which is already upon us.¹⁰ The USAID “Promoting Recovery in Zimbabwe” (PRIZE) programme will bring subsidized seed to rural stores in Gwanda, Masvingo and Mberengwa - but in

⁵ FEWS NET: Zimbabwe food security update, September 2011.

⁶ D Chisvo, “Govt, financial sector lacks financial resources”, in the *Daily News*, 23 Oct 2011.

⁷ The head of the CFU predicts a decrease from this year’s harvest of 900,000 tonnes to 781,000 tonnes in 2012. In 2000, the country produced 2,000,000 tonnes of maize, so the next harvest is likely to be 30% of this peak production.

⁸ *The Chronicle*: “Delivery of farming inputs in Mat North begins”: 28 October 2011.

⁹ See further ahead for rainfall pattern predictions, some of which are predicting good early rains and then a dry spell, which is why early planting is so essential.

¹⁰ Interviews with ORAP, World Vision, Care, WFP on 26 October 2011. There is apparently some Food For Work in Matobo and Bulilima districts. Other programmes in skills training are also going on, but nothing that is putting food into hungry Gwanda households now.

Gwanda, they have yet to identify implementing stores, which means distribution is likely to be weeks' away.¹¹

In mid October, Finance Minister Tendai Biti presented a statement on agricultural inputs for the current season. In this he announced that out of a budget of \$248 million for agriculture in 2011, inputs worth \$75 million had been secured for A2 (small scale) and vulnerable farmers.¹²

- 100,000 vulnerable farmers are to receive a free input package of seeds: maize (10kg), sorghum (5kg) and millet (5 kg), as well as 2 x 50 kg fertilizer, on the basis of presenting vouchers at their local parastatal Grain Marketing Board (GMB) outlet, showing that they have been identified as vulnerable. \$8.1 million will cover these free inputs.
- 250,000 communal farmers will receive the same package, on a subsidized basis, in which they pay a reduced rate, also on presentation at GMB of vouchers showing that they have been identified as qualifying. \$20.3 million will cover these subsidized inputs.

The promise of free or subsidized inputs to benefit 350,000 communal farmers is highly commendable, but the question remains, when exactly these inputs are going to reach farmers on the ground? In the last days of October, Agricultural Extension (AREX) officers in Gwanda had only the haziest awareness of these input schemes. At the end of October, the processes by which families will be identified for free or subsidized vouchers was opaque at the district level, to all involved - families, implementing NGOs and AREX.

On 28th October, an alarmingly blunt official in the Bulawayo AREX offices dismissed Biti's statement regarding free and subsidized seed as "politics", saying that he did not believe what he had only read about in the newspapers, and had yet to receive any kind of circular about the scheme.¹³ He reported that in September there was an AREX meeting in Harare at which a Ministry of Agriculture official had talked of each province receiving \$20,000 towards free inputs for villagers, but the Bulawayo AREX official commented that since then, "everything had gone quiet", with no further word on this matter. AREX stated that they have so far done nothing about trying to assess who on the ground might be eligible for free or subsidized inputs, as they had no instructions to do so or how to proceed. In any case, there is inadequate transport to get down to village level to do assessments on a vast scale. With the experience of many years, the AREX official's final word on the subject of free inputs was:

"As far as I am concerned, just go and buy your own seeds and don't wait for something to materialize from government because it will come too late to be useful - if it comes at all...."

¹¹ Interview with CARE, Gwanda, 28 October 2011. CARE is the implementing NGO for WFP in Gwanda.

¹² Tendai Biti: "Statement on 2011-2012 agricultural inputs." 15 October 2011. As well as outlining the process of getting inputs to A1 and small commercial farmers, Biti states the need for the land resettlement programme to be finalized, along with a land audit, research into climate change, training of farmers, and the opening out of the grain market from the monopoly of the GMB to a more sustainable private sector market, with the GMB becoming the buyer of last resort in the future

¹³ Interview, AREX offices, Bulawayo, 28 October 2011.

Sadly, considering that government inputs for the last growing season only reached the ground in February this year - four months too late - this advice may prove to be sound.



Photos 1 and 2: Gwanda district, 27 October 2011: this family painstakingly gathers up maize seeds for planting, that have leaked from a passing truck on to the road. Will these be their only timely “free inputs” for 2011/12?



4. Lack of coordination within government

The reality gap between the desire to provide free government inputs, and the ability to do so timeously, are indicative of problems that are besetting the current coalition government more generally. There has been much commentary elsewhere on the consequences of the Global Political Agreement (GPA) that has brought ZANU PF and the two MDCs into one corral.¹⁴ But it is deeply regrettable if a political lack of coordination between and within Ministries begins to compound the life-threatening situation of desperate families in rural districts. There is a direct link between dysfunctional government ministries - where bureaucrats and their Ministers may be at political and policy loggerheads - and poverty on the ground. For example, statements by the Minister of Indigenisation on the one hand, and the Prime Minister, and the Ministers of Industry and Finance on the other, have proved inconsistent in recent years, harming investment in Zimbabwe and making apparent the lack of goodwill and coordination among various parts of government.¹⁵ It is ordinary job seekers who have paid the price. Discussions with Catholic Relief Services in Bulawayo on 28 October hinted that while the WFP have sufficient supplies to roll out for FVG already on hand, "politics" is preventing the immediate implementation, once more suggesting that selfish political point scoring may be literally keeping citizens hungry.

However, the GPA remains the only framework in which Zimbabwe is able to move forward at all. Pressure therefore must be maintained more broadly for fuller implementation of outstanding issues within the GPA, in particular the road map towards a free and fair election either late in 2012 or in 2013. But in the course of this, the humanitarian needs on the ground must not be forgotten. While political violence has been reduced since the implementation of the GPA, and while hunger too is reduced this season, politics continues in complex ways to affect the livelihoods of the nation's most desperate citizens. It is therefore imperative for the SADC facilitation to proceed with greater urgency in order to facilitate a more constructive dialogue with the donor countries over more substantive development assistance, even during this interregnum phase of the GPA.

¹⁴ SPT: *The Hard Road to Reform*, April 2011, and "Walking a thin line", 2010, for example.

¹⁵ While the principle of indigenization is accepted by all three political parties in the GPA, impractical deadlines and extremely punitive measures for defaulters were first touted by Minister Kasukuwere, who later backed down. However, uncertainty continues to dog the issue of ownership in Zimbabwe.

B. Matabeleland: socio-economic context 2011

Before returning to the Gwanda survey and its implications in more depth, it is important to contextualise the levels of rural poverty that we observed within the greater Matabeleland economic reality. The continued battle for survival in rural areas is taking place against a backdrop of the unprecedented deindustrialization of Bulawayo, the only city in the west of the country. Where once family members in urban areas could be relied upon to help those in rural areas during difficult times, urban families are themselves dealing with retrenchments and poverty.¹⁶ During 2011, Bulawayo was found by a ZIMVAC survey to be the second most food insecure area in the country. With 16% of households being assessed as food insecure, Bulawayo families were three times more likely to be facing hunger than Harare households, assessed at 5% insecure.¹⁷ This finding points to the impact of rapid deindustrialization in Bulawayo at the level of households.

1. The National economic realities

Events in Matabeleland are taking place in a national socio-economic context, which is briefly summarized here. As Zimbabwe heads towards the end of the third year of the Global Political Agreement (GPA), it is clear that some areas of the economy have benefited more than others from the resulting increased political stability. By 2008, the Zimbabwean economy had been largely informalised and drastically reduced, with a loss of around 40% of GDP between 2000 and 2008: in 2008 alone, the economy shrank by nearly 18%.¹⁸ The GDP losses since 2000 were themselves a further decline in an economy facing difficulties since the early 1990s.

Since 2009, however, agriculture, in particular tobacco, has begun to regain commercial viability, mining and communications have expanded, while the tourism industry, adversely affected during the political crisis, has begun to recover. Sufficient maize was grown locally during the last season to more or less meet the local demand. Growth was around 9% in 2009, but has considerably slackened since then, and will probably be around 5% in 2011. Contributing to the slowing of growth, has been the general lack of confidence among international investors with regard to security of property rights, as the implementation of the policy of indigenization continues to be unclear and shifting. Zimbabwe remains a highly difficult environment in which to conduct business, and was recently ranked as the twelfth most difficult nation in the world in which to operate commercially, at 171 out of 183 countries.¹⁹ Zimbabwe was further ranked at 122 out of 183 with regard to protecting investors' assets. In a generally grim international context of world recession, these rankings indicate that growth is likely to continue on a much slower scale than the country desperately needs, and manufacturing will continue to face huge obstacles.

¹⁶ The relationship between urban and rural economies has shifted in complex ways in the last decade – see previous SPT publications for the impact of Murambatsvina and the economic collapse of 2008.

¹⁷ FEWS NET, *ibid.*

¹⁸ CIA, *The World Fact Book.*

¹⁹ Tauria Mangudhla: "Govt frustrating investors" in *The Daily News*, 23 Oct 2011. The ranking is from the latest World Bank and International Finance Corporation's "Doing Business 2012 report".

2. Overview of Zimbabwe economy: 1980 – 2010

In 1980, Zimbabwe was the most industrialized nation in sub Saharan Africa apart from South Africa, but between 1991 and 1995, Zimbabwe's industrial production shrank by 21%.²⁰ ESAP policies did not result in the growth government expected: nor did its successor, ZIMPREST. Additionally, during the 1990s, Zimbabwe moved steadily from producing goods with a high level of technical input, to producing a greater proportion of primary products that were labour-intensive. Food, beverages and tobacco grew to represent a greater portion of GDP while textile and chemical industrial outputs declined.²¹

In the late 1990s and post 2000, there were several severe knocks to the Zimbabwe economy, including the war in the Democratic Republic of Congo, unbudgeted war veteran payouts, and then wide-spread farm invasions in the wake of the 2000 elections. Commercial farming employed 400,000 labourers, the vast majority of whom lost their jobs as a result of the invasions. As commercial agricultural production shrank, so did the entire national economy – industries in Zimbabwe source more than 60% of their inputs from commercial agricultural production, and sell 50% of their products back to agriculture.²²

All these factors have resulted in dramatic deindustrialization of Zimbabwe, particularly Bulawayo, and a responding growth of the informal sector. However, in 2005 the informal sector itself became the target of government action, with the infamous Operation Murambatsvina (OM). In the space of two months, government forces destroyed informal settlements and vending markets nationwide. This displaced an estimated 500,000 people, with direct and indirect knock-on effects for millions more. Hundreds of thousands of families were plunged into poverty, and the devastating effects of OM on people's lives continue to date.²³ Nor did OM reverse the growth of the informal sector: it simply made life more difficult and treacherous for the millions struggling to survive by vending and cross border trading.

As political tensions heightened between 2005 and the end of 2008, government policies further exacerbated the viability of businesses, with unreasonable and punitive price controls, multiple exchange control levels which disadvantaged exporters, and profligate printing of money. The resulting hyperinflation combined with price controls, resulted in empty shelves nationwide. Hundreds of businesses folded during the years leading up to the GPA.

Currently, otherwise efficiently run and productive companies are struggling financially as a result of the "forced borrowing" of their capital by the Reserve Bank of Zimbabwe, which in 2008 literally seized foreign exchange from business accounts. Other losses were accrued in February 2009, during the process of US dollarization, which overnight left companies with empty Zimbabwe dollar bank accounts that had been worth millions in real currency terms. None of this money has been repaid by the State. Companies were forced by hyperinflation and government policy in the 2000s to accrue debt to stay afloat, which they now find

²⁰ ZIMCODD: "Deindustrialisation of Bulawayo: a contribution to the debate": August 2011.

²¹ Ibid page 5. It is not the intention of this report to fully unpack the broader contexts of these shifts.

²² Ibid.

²³ SPT: "A fractured nation: Operation Murambatsvina 5 years on": 30 July 2010.

close-to-impossible to service. As the Ministry of Finance appears not to trust the Reserve Bank with funds, all government-to-government funds are currently being channelled via the private banks to industry and commerce. These private banks are charging iniquitous rates to access the loan facilities. It can cost up to 40% per annum to borrow money in Zimbabwe, compared to 3% interest in many other countries around the world.

In 2011, and in spite of the modest economic growth since 2009, government remains the biggest formal employer in the nation, with most Zimbabweans still having to seek income from the informal sector. Civil servants continue to earn salaries that are below a living wage²⁴, and use most of this to pay for rent, basic food and services. Tragically, businesses continue to close or run at below capacity.

3. Bulawayo and deindustrialization

Bulawayo has been the most severely affected city with regard to deindustrialization. Since the early 1900s, Bulawayo has been the industrial hub of Zimbabwe, being strategically situated between South Africa, Botswana and Zambia. Home to the National Railways of Zimbabwe, and close to Hwange coal sources, Bulawayo has traditionally housed most of the large textile and clothing factories as well as furniture, pharmaceutical, metal, electrical and heavy industries. At its height, Bulawayo industries alone contributed 25% to the GDP - yet nationwide, industries now contribute around 15% to the drastically reduced GDP.²⁵

According to the Association of Bulawayo Businesses (ABUZ) more than 20,000 jobs were lost in Bulawayo between February 2009 and February 2011.²⁶ At least 85 firms and industries have closed down during that time span, including several of the city's major employers, while several others have relocated to Harare, citing difficulties with sourcing agricultural and other inputs in Bulawayo, as well as lack of Bulawayo markets for finished goods. Factories stand empty, and vacant shop fronts are replacing functioning businesses in the shopping malls and in Bulawayo city centre. The recent invasions of some properties, and threats of invasions made to other businesses, have added to the sense of economic insecurity and depression in the city.²⁷ The knock-on effect of these job losses for the well-being of the city as a whole has been profound: there is scarcely a family that has not faced a redundancy in the last two years, with its associated economic hardship. The loss of spending power in the city has further negative consequences for surviving businesses. It is not surprising that families in Bulawayo are three times more likely to be food insecure than in Harare. The loss in revenue to the Bulawayo City Council caused by business closures, which have reduced the property rates' base, as well as failure of retrenched families to pay for services, has impacted negatively on the running of the

²⁴ Most civil servants still earn below USD 300 per month, while the basic income needed for a family to survive is USD 400 per month.

²⁵ B Chitemba: 'Byo revolving fund under scrutiny', Zimbabwe Independent, 14-20 Oct 2011.

²⁶ Interview, Bulawayo, Sept 2011. See Appendix One for list of companies.

²⁷ *The Standard*, "Police say they can't stop Byo property grab": 28Aug to 3 Sept 2011; *Newsday*, "Zanu PF youths invade white-owned buildings", 19 Sept 2011, through to *The Chronicle*, "Police launch blitz on illegal occupants", 13 October 2011. Countrywide, there have been mixed messages as to whether business invasions will be tolerated or not, and there have been waves of invasions going back to 2000.



Photo 3: Empty silos, abandoned processing plant – “Red Seal” food company in Bulawayo, one of many closed businesses.

Photo 4: Dead end: once, these train tracks brought raw materials to this factory and carried away finished goods for export. Bulawayo industrial site, October 2011.



city, historically one of Zimbabwe’s better-run local authorities.²⁸ At a time when the nation as a whole is reflecting a 5+% GDP growth rate, Bulawayo is clearly shrinking.

²⁸ K Mhotshwa: “Invasions destroyed industry”, *Newsday*, 21 Oct 2011.

Perceptions of regional marginalization

The under development of Bulawayo has become a burning political issue in the city, with the government's failure to rescue the city from a slow death being seen as a deliberate form of regional neglect. This is linked to people's memories of the *Gukurahundi* massacres in Matabeleland, and the perceived failure to develop this region during the 1980s, when infrastructural advances were being made in other parts of the nation.²⁹ Although the dramatic number of company closures in Bulawayo are undoubtedly being driven predominantly by the same economic forces which are governing the whole country as already outlined in this paper, it is also a fact that central government could have done more over the decades to ensure Bulawayo's continued growth.³⁰ Water resources are totally inadequate, and the long awaited Matabeleland Zambezi Water Project is only ever heard about in the weeks running up to any election.

The looting and mismanagement of the NRZ has helped to undermine Bulawayo, once a hub in the national train transport system.³¹ The failure to develop and improve the road links from Beitbridge to Bulawayo and onward to Zambia, and the decision instead to develop a double highway from Beitbridge via Masvingo to Harare, and from there on to Zambia and Mozambique, is seen as one more nail in the coffin of Bulawayo industry. Moreover, these are strategic decisions that have been made in the last two years, since the implementation of the GPA. Plans by South Africa and Zimbabwe to open new border posts to the east of Beitbridge, linking Midlands and Masvingo provinces to Limpopo province in South Africa,³² add further credence to the perception that there is a deliberate policy to marginalize and bypass Matabeleland in terms of its import-export potential, as well as ordinary human traffic in the years ahead.

Bulawayo's isolation is further exacerbated by poor air links in and out of the city. Air Zimbabwe has international routes from Harare to Johannesburg, Dubai, Beijing and London, and currently, does not fly internationally out of Bulawayo at all. One South African Airlink flight to Johannesburg per day represents the only international air connection to Bulawayo, and the price of this flight is among the most extortionate of any \$/km routing in southern Africa.³³ It is \$500 cheaper per round-ticket, to fly from Johannesburg to Livingstone in Zambia - a greater distance - than it is to fly from Johannesburg to Bulawayo.³⁴ This has ramifications for Bulawayo industry, bearing in mind that the most important trading partner in the SADC region generally, as well as for Zimbabwe, is undoubtedly South Africa.

²⁹ The Standard: "Zimbabwe's widening ethnic divisions", 24-30 April 2011.

³⁰ The decline of Bulawayo began as far back as the 1970s, and the idea of piping water from the Zambezi was first mooted in the 1920s.

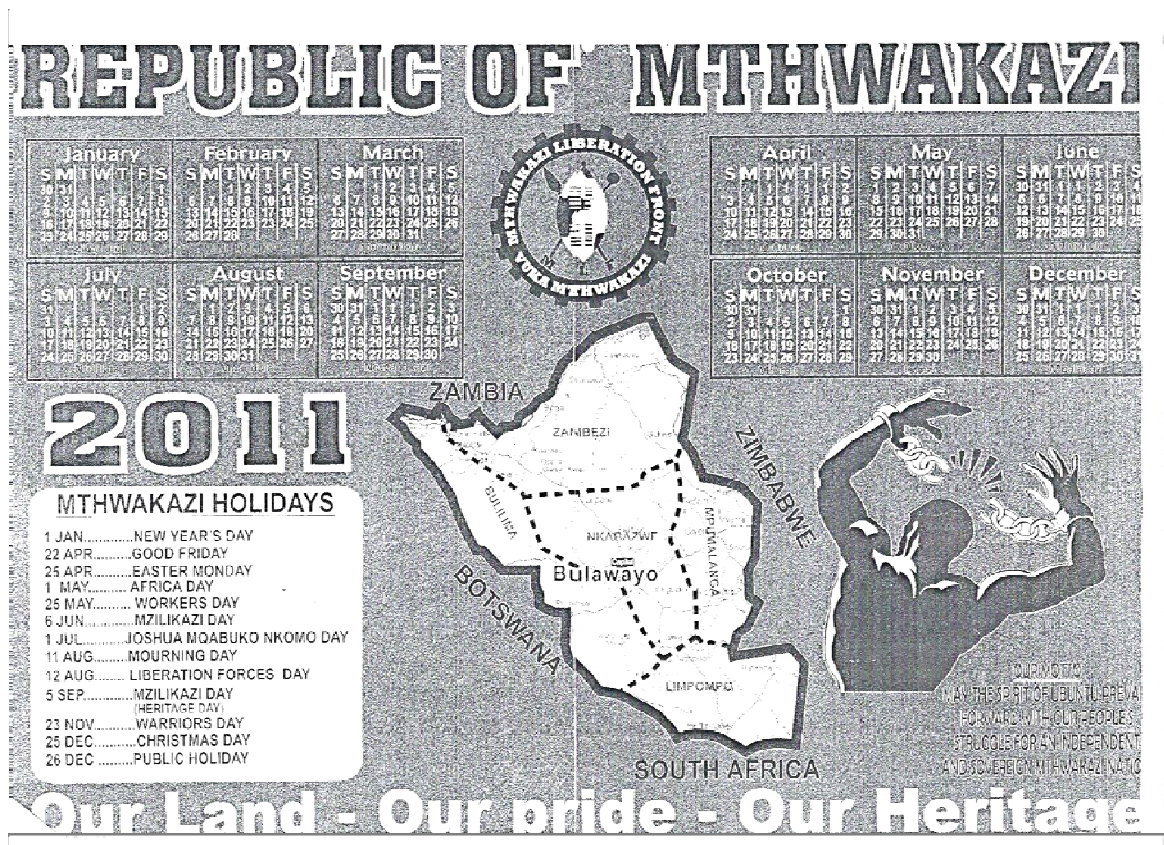
³¹ The collapse of the railways has of course affected the infrastructure and viability of industry countrywide, but has also resulted in hundreds of retrenchments in Bulawayo, where it is head quartered.

³² Media reports, South Africa, June 2011, refer to these planned new border posts although the time line is not clear. At the moment all traffic to and from SA goes through Beitbridge.

³³ Return tickets Jhb-Bulawayo (a 90 min flight) average US\$ 750: it can be cheaper to fly Jhb-London.

³⁴ It costs \$240 to fly to Jhb-Livingston return, on 1time airlines.

During 2011, unreliable or non-existent domestic air schedules have meant that reaching Harare from Bulawayo has become a major endeavour entailing six hours by road each way, to attend a simple meeting.³⁵ Poor and/or expensive transport networks also mean that Bulawayo is now excluded on most tourist routings, where in years past, Bulawayo was part of tourist itineraries that included Hwange Game Reserve and the Victoria Falls – now accessed more cheaply from Zambia.



2011 Calendar showing the “Republic of Mthwakazi”, with Zimbabwe as a neighbouring state. The fringe Mthwakazi Liberation Front separatist movement is active largely outside of Zimbabwe, but their leadership in the country currently face a treason trial in Bulawayo.

Undoubtedly, there are other towns around the country that could claim government neglect and decay, but what is relevant are the *perceptions* of Bulawayo residents, and how this is likely to play out nationally. Ethnic tensions are a daily reality in Bulawayo now, as this predominantly Ndebele-speaking region perceives its neglect as both deliberate and ethnically driven. It is possibly no coincidence that the Mthwakazi Liberation Front (MLF) once more raised its voice in early 2011, calling for a separate state in the west of the country.³⁶ While the majority of Bulawayo

³⁵ Air Zimbabwe has been in crisis all year, with strikes and plane breakdowns, meaning essentially that there has been no air service to speak of between Bulawayo and Harare this year.

³⁶ While the treason trial of Gwisai and others has received recognition nationally and internationally in 2011, there is a second treason trial currently under way in Zimbabwe – that of Paul Siwela and two others in Bulawayo. Siwela, president of the MLF, spent two months in jail without bail earlier this year, after allegedly distributing MLF pamphlets. The MLF is in fact more active in the diaspora than in Bulawayo currently – and burnt a Zimbabwe flag at a public gathering in Johannesburg earlier this year. The separatist movement in Matabeleland has a long history and is by no means a new

residents would be likely to dismiss the possibility of a separate state as impractical and undesirable, this is not to deny that there remains in the city, a strong sense of alienation from the nation and a resentment of the centrality of political power in Harare under the current governance system. During the COPAC outreach, there were strong calls from this region for devolution of political power in a new constitution, to allow people a greater sense of control of their own destinies and a more significant decision-making capacity in the national body politic.

Matabeleland is possibly the most highly contested region in Zimbabwe politically, with four very active political parties – MDC, MDC-T, ZANU PF and ZAPU.³⁷ All of the three parties that are signatory to the GPA have parliamentary seats in Matabeleland and will seek to retain support in this area in the year ahead: the issue of Bulawayo's deindustrialization has become a strategic political issue in the last year, with all the political parties competing to set up committees to investigate and lobby around the issue.³⁸ It is to be hoped that this will ultimately be positive for the city as a whole, and that initiatives will not fall victim to political jostling and one-upmanship.

4. DIMAF

In acknowledgement that Bulawayo faces unique challenges, a task force of seven Cabinet members under the chairmanship of the Minister of Trade and Industry, was set up at the beginning of 2011, and has identified various ways to stimulate a revival of industry in the city. A Distressed and Marginalised Areas Fund (DIMAF) has been established, and \$40 million was awarded to Bulawayo industries in October. This is intended to allow at least 17 key industries to recapitalize, replacing outdated equipment so that they can competitively re-enter the market and create employment.³⁹ By late October, it was agreed that a transparent committee should be appointed with representatives from ten established business networks in Bulawayo to guide the disbursement of the money: the fund is clearly going to be oversubscribed and controversial. In keeping with the wide-spread fear that people from outside the region usually benefit ahead of those from Bulawayo, key official in this process, Ruth Labode from Bulawayo announced: "We are guarding the \$40 million jealously because we are aware that there are Harare companies and greedy businessmen who are targeting the fund..."

On 27th Welshman Ncube, Minister of Industry and Commerce reported back to Bulawayo business people that the following recommendations had been made to Cabinet and were being pursued:⁴⁰

phenomenon – the separation of South Sudan has added some impetus to the movement, but as mentioned, it remains a fringe movement.

³⁷ While all of these parties would claim to be national and not regional, MDC won parliamentary seats only in Matabeleland, and clearly has a predominant support base there, while ZAPU also arguably has a predominantly Matabeleland support base, the extent of which is not clear as it has not so far contested for an elected post. However, all four of these parties are visible on the ground in Bulawayo and in rural Matabeleland.

³⁸ A quick perusal of Bulawayo papers including *The Chronicle* and the *News Day (Southern Edition)* since June 2011 reveals at least 60 articles on the topic of Bulawayo's marginalization and /or deindustrialization, or several such articles every week.

³⁹ B Chitemba: 'Byo revolving fund under scrutiny', *Zimbabwe Independent*, 14-20 Oct 2011.

⁴⁰ This summary is courtesy of ABUZ, who attended the meeting.

- 1) Revisions of the tariff structure on raw materials - Specific recommendations on exemptions have been made to be incorporated in the 2012 National budget.
- 2) Porous Border Posts e.g. Beitbridge – It has been recommended that the Ministry of Finance embarks on an internal re-organization of ZIMRA.
- 3) Procurement policies - There should be de-centralization of procurement procedures for organizations such as ZESA, NRZ and the State Procurement Board in Bulawayo. Procurement regulations should also be amended to favour local companies so that they are empowered.
- 4) Distressed firms under judicial management - It was recommended that judicial managers should not manage more than two companies so that they can exert more efforts in resuscitating these companies.
- 5) Labour regulations-a) Retrenchment - The exercise is lengthy and the procedures need to be revised. b) Wages arbitration - There is need to relate awards to productivity.
- 6) Ministry of Investment Promotion - Through the Zimbabwe Investment Authority, there is need to classify Bulawayo as a special zone so that investors can enjoy the benefits that are related with such status.
- 7) Set-up of a distressed fund of US\$40 million - The task force will ensure that there is transparency and fairness in the disbursement of this fund. The task force will report to the Cabinet weekly on the progress. Business Associations in Bulawayo will second one representative to the Task force for further interactions, as the modalities of accessing these funds are yet to be finalized. It is hoped that the disbursement will be done outside the banking sector.
- 8) Decentralisation of banks - The Ministry of Finance has been tasked to work with banks so that available credit lines are allocated regionally and their managers empowered to disburse the funds to their clients.

It remains to be seen if the measures being taken will serve to regenerate the city, but there is a need for the macro economic context to improve for any other measures to help. This means the broader issues around indigenization, national transport systems and general access to affordable bank loans need to be dealt with, as well as the centrally important issue of the revival of commercial agriculture.

PART TWO

A. The GPA and the human rights situation, October 2011

The GPA, while not unproblematic, has served to stabilize Zimbabwe in significant ways, including on the humanitarian front.⁴¹ Access to health and education have improved dramatically in rural areas since we last researched these aspects in 2009. In our survey in September 2011, all families reported satisfactory access to primary health care, including child and maternal services. This is a direct consequence of a more stable political environment, which has allowed medical staffing and drug supplies to improve, although both still have critical shortfalls in specialist areas. Every primary school in the country now has a full set of text books for every child as a result of international support, and books for high school children will soon be available in all schools. Many children continue to be excluded from schooling on the basis of failure to pay levies imposed on pupils on a school-by-school basis: although such exclusion is against Ministry policy at primary schools in particular, it nonetheless remains a reality for many children.⁴²

Political violence

Political violence is reduced from previous years, but it remains a serious and ongoing problem in Harare, particularly in Mbare suburb where the Chipangano gangs, allied to ZANU PF, continue to terrorise citizens on a daily basis. Out of 475 cases of confirmed political violence countrywide this year, documented between January and the first week of October 2011, over 332 or more than 75% occurred in the greater Harare area.⁴³ Other trouble spots include Chimanimani, Mudzi, Mutare, Murehwa, and Nyanga, all of which have reported between 7 and 12 victims of political violence so far this year. In Bulawayo, Women of Zimbabwe Arise have again been targeted and beaten, as have small numbers of political activists, meaning 24 cases of political violence in Bulawayo this year.

It is pleasing to report that there have been no reported instances of political violence at all in Matabeleland South Province during 2011, and our researchers were able to undertake their activities without official – or unofficial – interference.

⁴¹ It is not the intention of this report to unpack the political nuances of the GPA, but rather to look at the humanitarian context. SPT will release a political update before the end of 2011.

⁴² Levies are meant to supplement teachers' low salaries and running expenses for schools, but many very poor families simply cannot afford them.

⁴³ "Harare" includes Chitungwiza, Epworth and other suburbs in the greater area. This figure of 475 cases is of those who have sought access to medical treatment through the NGO sector.

B. Matabeleland South: Findings of food security survey, October 2011

1. Methodology

Rural wards 13 and 14 of Gwanda Central, which have been shown to be areas of particular vulnerability and food shortages in previous years, were selected for a survey. Seven villages from these two wards were included in the survey on a random basis. Five homesteads per village were randomly chosen from these seven villages, on the basis of approximately every fourth household, until the target number had been reached.⁴⁴ The living standards of 258 people are included in these findings. Semi structured interviews were conducted, each lasting several hours and including a visual inspection of the homestead, fields and livestock of those interviewed. This process was both quantitative and qualitative, involving both specific questions and more general discussion about the socio economic experiences and concerns of the householders.

The aim was to establish the availability of food and water to each household, to detail current family eating patterns, and how and where food is being sourced. Also recorded was the availability of grazing and water to livestock, and changes in livestock ownership since the beginning of 2011. People's general evaluation of their situation comparative to their neighbours' and their expectations for the future, including the coming growing season, were also noted.

2. October follow up

The survey was initially conducted during the week of 19 September 2011. After the first round of questioning, the households that were considered to be most at risk, were revisited a month later and a second evaluation was conducted, to assess if the food, water and livestock situation had deteriorated ahead of the rains, and to assess whether the humanitarian response had changed. The situation on the ground had predictably worsened in the course of the month, with water having dried up in the nearest river-bed access points, and families having to travel further each day to get water. Grazing had worsened - although so few families have much in the way of livestock that this was not a factor for everyone. And hunger had increased, with several of the families referred to in the second interview as being lethargic and visibly weak, to the extent that they were lying indoors during the daytime and not completing household tasks.

3. Summary of findings

i. Demographics

74% of household interviewees were women

⁴⁴ Homesteads are not organized in neat rows in rural Gwanda, so the selection process was approximately every fourth homestead within groups of homesteads rather than rows, which resulted in four extra homesteads being included.

40% of these women were widows, with a further 20% being either single or divorced. This means that 60% of women interviewed were heading households on their own, with the balance having husbands either in the diaspora or working elsewhere.

20% of men interviewed were widowed, and a further 30% were single, with half being married.

The average age of those heading households was 48 years, with the youngest being 17 years old (female) and the oldest being 87 years old (male).

10% of those interviewed had no education, with 45% each, having had primary school or high school education.

56% of households indicated that somebody in the family had a regular supply of income, either in Zimbabwe or in the Diaspora, but only 24% of families indicated that this person sent money back to the rural areas.⁴⁵

The households interviewed encompassed a total of:

- 80 adults
- 87 children
- 68 grandchildren
- 24 orphans (excluding orphaned grandchildren)

The daily living experiences of 258 people are therefore reflected in this survey.

ii. Food security

The food situation in this area at the level of households was found to be precarious. While mealie meal and other basic foods were found to be available - in every instance at the level of the local store within easy walking distance - only 17% of families were eating three meals a day during the first survey visit in mid September.

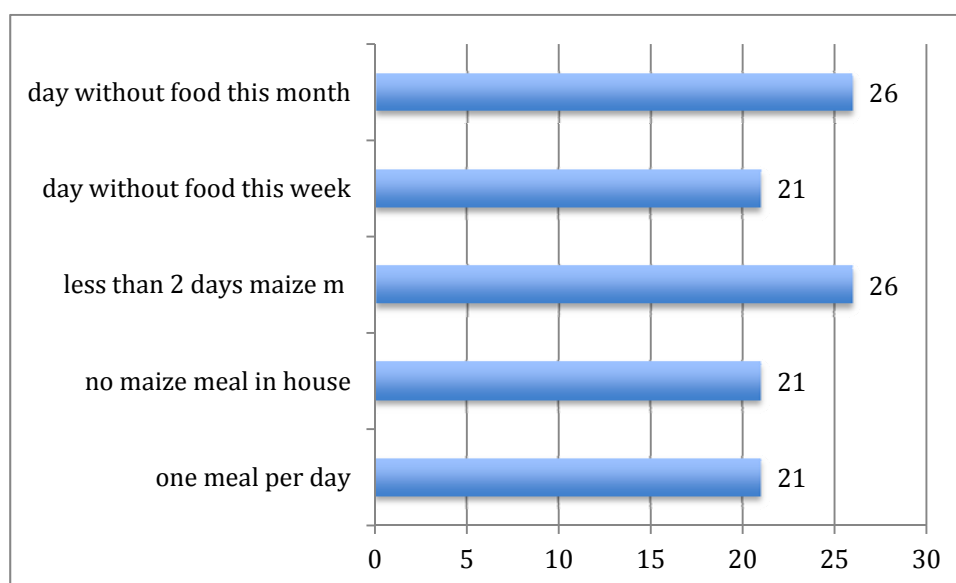
A worrying 21% were eating one meal a day, either every day or most days, and in some instances this was consisting of plain maize porridge with no accompaniments, not even cooking oil or any kind of vegetable. Two families were eating only spinach with no maize meal to accompany this.

21% of families had NO maize meal whatsoever in the homestead on the day of the survey, while a further 26% had less than two days' maize meal on hand.

21% of interviewees indicated that they had had a day with NO MEALS at all within the last week, with a further 26% indicating that they had had a day with no meals within the last few months. 12% of all families indicated that they "often" have a day without eating, at least every week or two.

⁴⁵ There is a detailed analysis of diaspora remittances further ahead in this report.

Graph 1: showing food insecurity based on number of meals and food stocks



This indicates a worse level of food security than that predicted in the “Agricultural Produce and Inputs Markets report”,⁴⁶ released in the week of 17 September 2011. This document is used as a strategic planning tool by all NGOs and others concerned around food production and security.

In our survey 47%, or nearly half of the families interviewed, had either no, or almost no staple food in the homestead, and an equal number had experienced a day without any food whatsoever in the recent past. On the day of the interview, several families indicated that they had no idea, by mid afternoon, of what they would eat that evening.

20% of families indicated that they had previously been involved in a CARE “Food for work” programme in their area, and half of these (10%) still had a little barley from this programme – but it was reportedly not operating in the area by September.

Considering that the households interviewed included 178 children, the lack of regular meals – and common reports of days without food - is an extremely alarming finding.

iii. Available – but unaffordable

As maize meal was priced at local rural stores at between USD 5 and USD 7 per 10 kg bag, the failure of families to have a secure supply of maize meal in the house is indicative of the extreme poverty of most families. Observers noted that the Gwanda town GMB depot was, in early October, filled to the ceiling with bags of un-milled maize, selling at USD 16 per 50 kg bag. But this is clearly beyond the economic reach of the vast majority of families we interviewed – and as it is over 30 km from the

⁴⁶ ZIMVAC report, circulated 17 September 2011.

survey area to the town, the costs of transporting maize provides additional cost constraints on families.

65% of those families that had maize meal, indicated that they had sourced it themselves, by barter or by sales of livestock or handiwork. The balance indicated the maize was a donation, either from a neighbour or a relative – and in only 5% of instances, maize was donated by a family member in the diaspora.

iv. Additional food information

A disturbing 73% of families indicated that they had no food in the house, apart from maize meal and vegetables – and as mentioned, 21% did not have even this. Of those who reported other food items, this consisted mainly of salt, cooking oil, tea leaves, or sugar. One person had bread, and one had beans. The vegetables consisted usually of the local spinach, or alternatively “sour melons”, which have very little nutritional value, but serve to make the maize meal yellow. The majority of families, including those without maize meal, did report having eaten some vegetable item within the last two days, but these were often melons, as already mentioned, of questionable nutritional value. 18% of families reported that they were eating indigenous plants, including munyi, umkhomo, xakuxaku and marula pips.

52% of families reported having gone a month or more – and up to a year – without eating animal protein, with a third of these families saying that they had not had meat for so long they could not even remember when last they had it. 24% of families had eaten meat in the last week, and this included meat provided at a local wedding, at a local funeral, and by visiting relatives. One neighbour had killed a goat and several families reported having had some of this goat, while another family reported that a chicken had died mysteriously and the family had eaten it. In other words, many families eating meat were doing so as a result of a community event rather than through personal purchases.

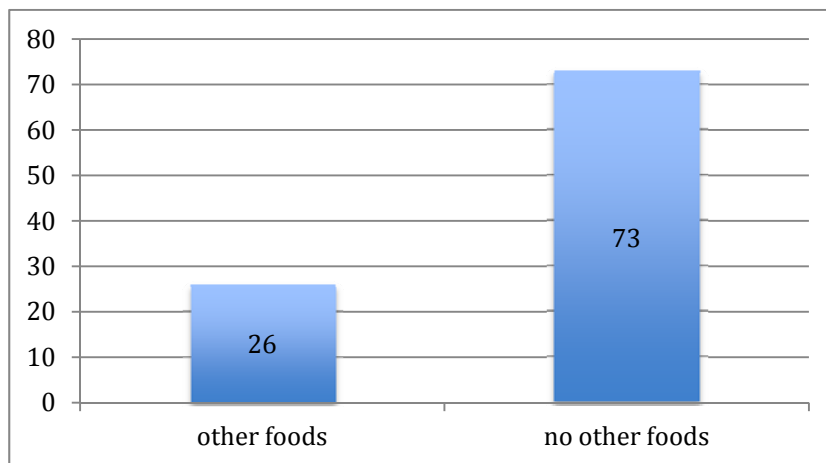
48% of families reported that *apart from maize meal and vegetables, they had eaten no other food items* in the last week.

Of the families that had eaten something else in the last seven days:

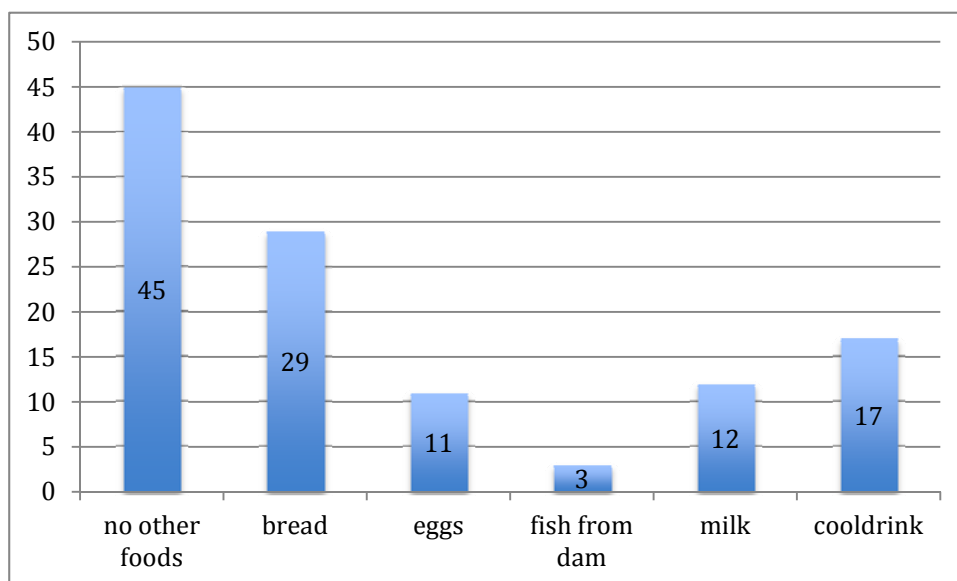
- 30% had eaten bread
- 12% had eaten an egg
- 12% had had some milk, from their own goat/cow
- 1 person had caught a fish in the dam and eaten it.

It goes without saying that meals in these families showed little daily variation, or variation from one meal to another, consisting of maize meal cooked as a porridge in the morning, possibly with tea and very occasionally with bread, and another meal during the day of maize meal cooked as a stiffer porridge (isitshwala) served with spinach or sour melons. Those families eating three meals, would have two servings of isitshwala in the course of the day. For the poorest families, a once-a-day serving of isitshwala, with or without vegetables, was being consumed, with a day a week at least without even this.

Graph 2: showing percentage of families that have food other than maize meal and vegetables in the homestead on day of interview



Graph 3: showing as a percentage which foods interviewees reported having eaten, other than maize meal and vegetables in the last week .



v. Water security

- **68% of families reported that their only source of water was to dig it up from a river bed, with one family sourcing water from a dam.**
- As livestock are using the same water sources, this makes the water potentially polluted.
- 21% of families were sourcing water from a well, often dug by themselves in a river bed.
- Only 9% of families were sourcing water from a borehole – the only really safe water source.



Photos 5 and 6: The only functioning borehole in the target area, with 85% of people reporting up to three broken boreholes in their vicinity. Nearly 70% of families reported sourcing water from a river bed and 20% from a well.



Yet 85% of families reported a broken borehole closer to their homestead than the water source they had resorted to using. Some reported as many as three broken boreholes in their immediate vicinities.

Families reported spending from less than an hour, to more than four hours per day, collecting water. For some families, the simple task of collecting water takes the equivalent of half a working day.

vi. Livestock

- 68% of families interviewed had NO cattle at all.
- 24% of families had NO goats.
- Over the course of the last year, goat stocks have been depleted by around 17% among these families. This was a decrease from 184 to 153 goats owned in total.
- 24% of families did not own a single chicken.
- Chicken stocks have been depleted by an astonishing 30% among these families since January, from 203 to 143 chickens.
- 62% of families had NO donkeys.
- Donkeys have decreased in numbers by 21% since January from 52 to 41.
- 62% of families had neither a donkey nor cattle – which is significant, as these animals are relied upon for ploughing.
- Only three families had sheep, and one family had a mother pig with piglets.

Cattle were the only livestock whose numbers have remained fairly constant, but very few families own any cattle in the first place, with less than a third in this category. Out of 44 cattle owned in total among these families, 20 were owned by one individual, with the remaining families owning between 2 and 4 beasts each.

Donkeys are very useful in the rural context, ploughing fields, pulling carts and carrying loads. The fact that there has been a one-in-five loss of donkeys in one year is disturbing, and this is attributed partly to disease in the area.

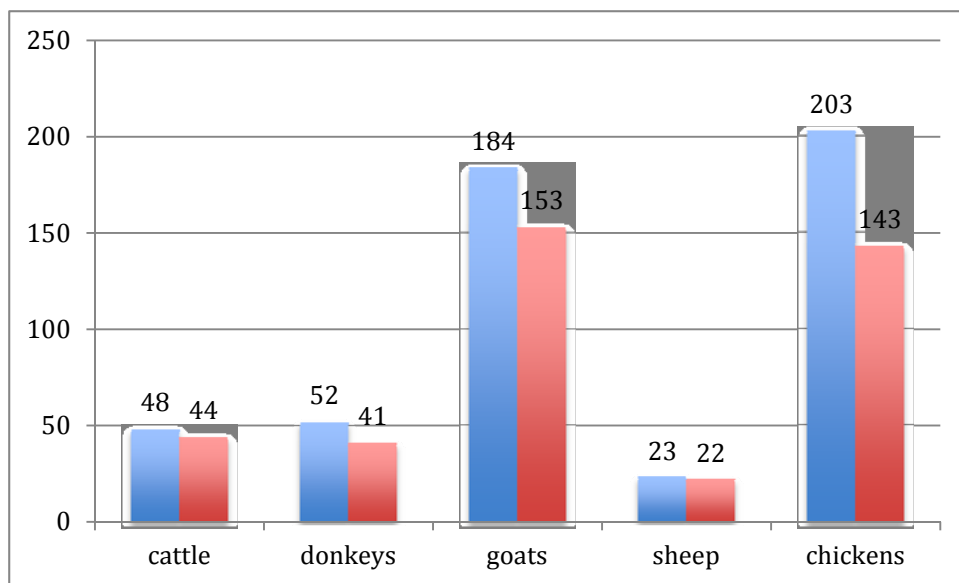
The scarcity of both cattle and donkeys in these wards points to a poor likelihood of fields being ploughed ahead of the rains, which was confirmed by almost two thirds of families, who stated that they had no means of ploughing this year. The shortage of young adult labour in most families adds to this dilemma.

Goats and chickens are particularly significant in rural families, as these are used for barter, for sales and occasionally to eat. The 30% loss of chickens and the almost 20% reduction in goats in the last nine months points to the pressure on families, who have had to resort to selling off or eating their livestock in order to survive. The fact that one in four of these families now no longer owns a single chicken is indicative of their desperate economic plight – it is almost unimaginable that a rural family can fail to have even one chicken.

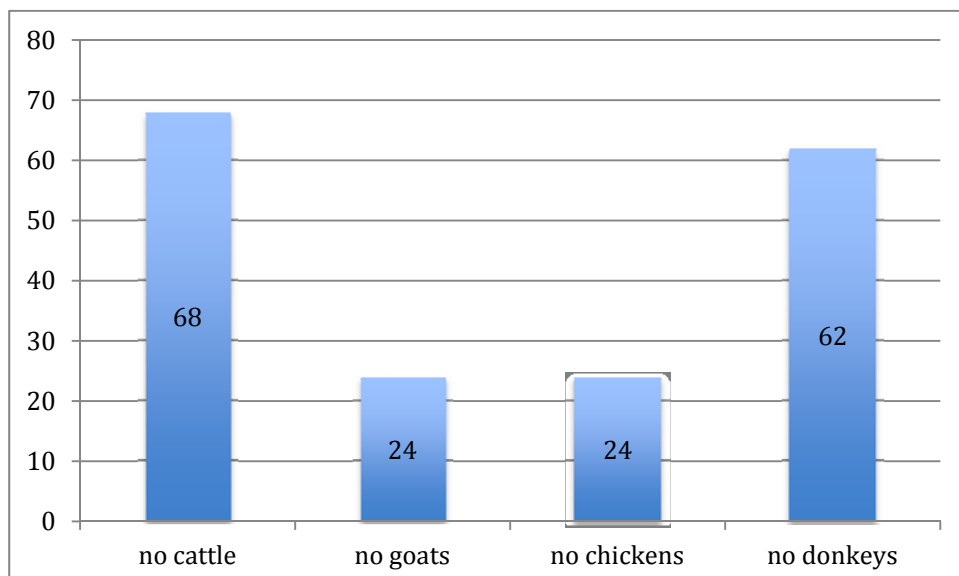
In a third of cases, livestock losses were accounted for by the family eating them. In a further third of cases, the livestock was said to have died, either of disease or of hunger. In the final third, livestock was sold to buy other food or pay school fees.

When asked if they expected further livestock losses this year, 33% indicated they expected some of their livestock to die of starvation, while 12% expected deaths by disease, as donkeys and goats have been dying in that area recently. A further 12% expected to have to barter or sell goats or chickens, while 6% expected to eat some of their stock. One person expected to have to slaughter a cow for an upcoming wedding. Only around one third of families anticipate they will have no further livestock losses this year.

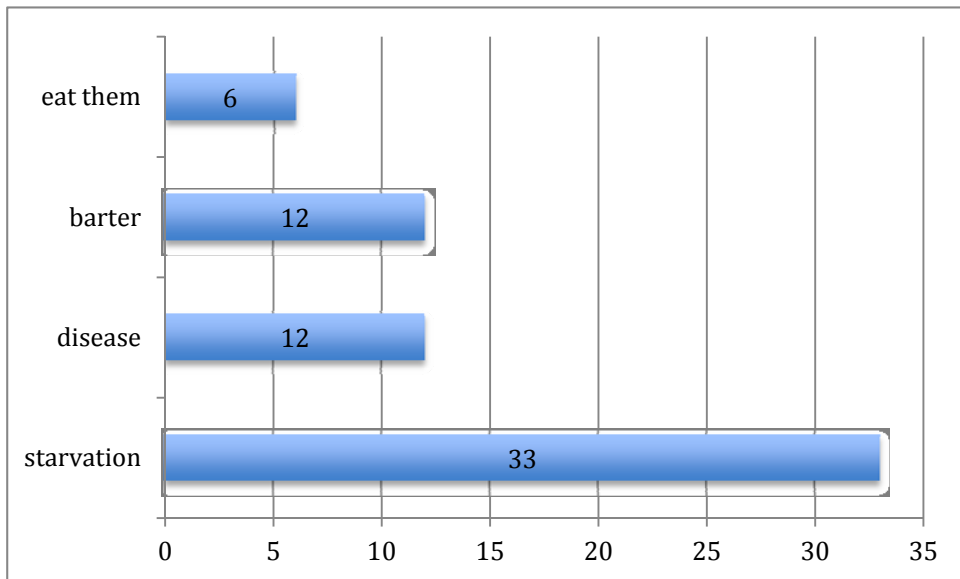
Graph 4: showing total livestock in all households in 2010 (left column) and 2011 (right column)



Graph 5: showing percentage of families that do NOT own livestock



Graph 6: showing percentage of families expecting to lose livestock before end of 2011



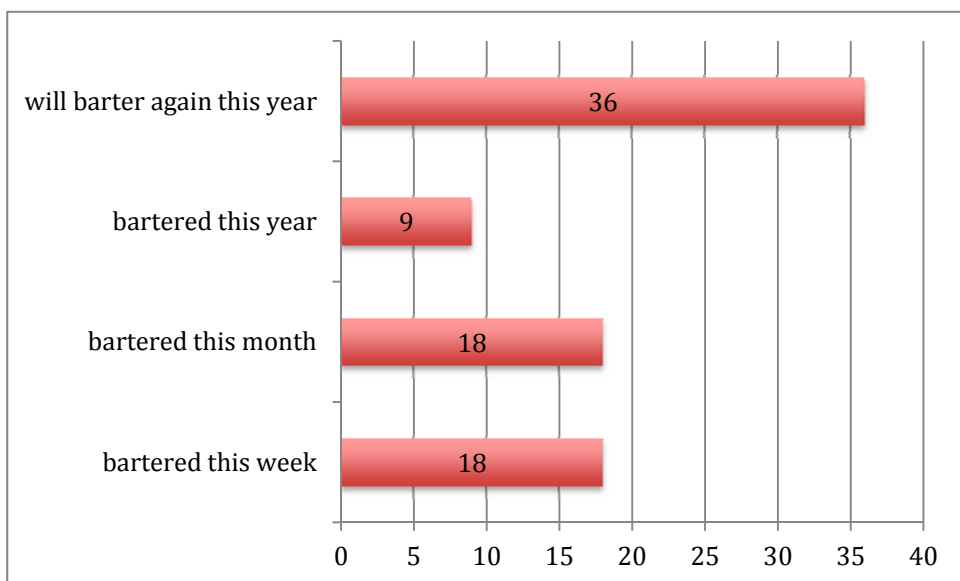
vii. Barter trading

18% of families reported having bartered in the last few days or weeks, with a further 18% having bartered in the last three months.

9% of families reported having bartered at some stage during 2011.

This means that almost half of the families (45%) interviewed have used bartering as a form of exchange this year, with slightly more than half not having done so.

Graph 7: showing percentage of families using barter as a survival strategy



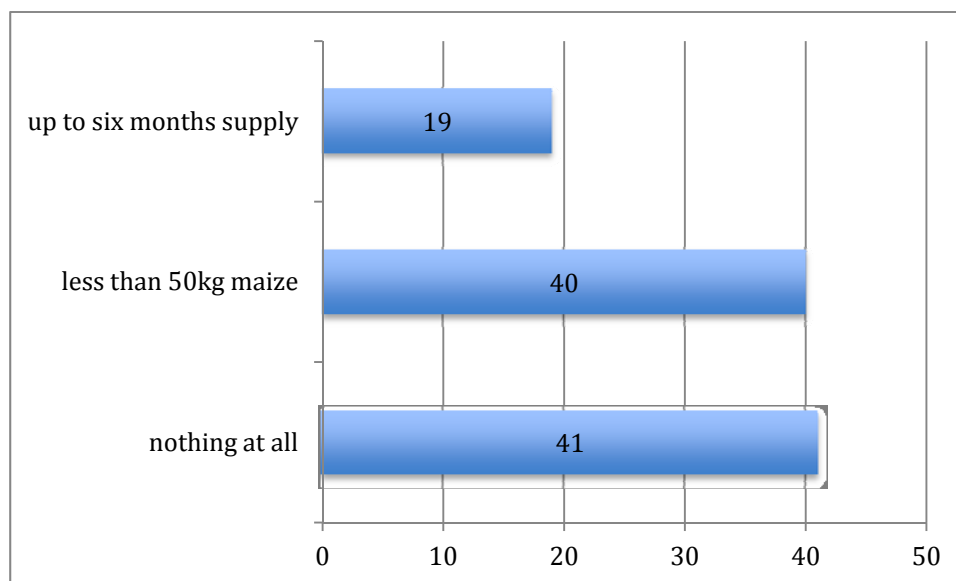
Most commonly, labour, goats, chickens, clothes, or woven mats were bartered for maize, cooking oil or sugar.

36% of families – the same number as those who have bartered in the recent past – expect to barter again this year in order to survive. Some expressed that they would have to barter every week, asking their neighbours for tasks to do in exchange for maize as they had no other way of surviving. Two interviewees said they would barter if they could, but had nothing left to exchange and were too old to work.

viii. Harvests, 2011 and 2012

Families were asked to review what had happened during the last harvest, and how prepared they were for planting in the coming season. This is particularly important as the Agricultural Extension programme (AREX) in Matabeleland South has predicted a good early rainy season, with a long dry spell early in 2012. This means that by the middle of October, seed and fertilizer or a plan to acquire it, should have been to hand. This is clearly not the case, with **only one family** reporting that they already have inputs, with the all the rest indicating no seed or fertilizer whatsoever at this stage, and no clear plan for acquiring them. The government roll-out programme announced in mid-October has not been heard of here. As already mentioned, around two thirds of families indicate that they have no draught power and no current plan for ploughing either.

Graph 8: showing last year's harvests



The 2010-11 season was disastrous in this area, with 41% of families harvesting absolutely nothing, and a further 40% having almost total crop failure, harvesting less than one month's grain supply – less than 50 kg of maize. Only 4 families harvested around 6 months supply of grain, and by late September, no family had any remaining harvest to hand.

The prediction is, that unless inputs have already been acquired by the time this report is released, it will be too late to plant in this region, which is notoriously difficult to harvest in, and there will once again be a near total crop failure. In fact, several families indicated that they will not be planting this year in any event, as they

have no capacity to do so, and have had such bad experiences of investing in failed harvests before.

ix. General interviewee perceptions of their economic status and prospects

Interviewees were asked to rank their economic status compared to that of their neighbours, and interestingly:

- 30% ranked themselves as being the equivalent of their neighbours
- 15% ranked themselves as better off
- 52% ranked themselves as poorer than others
- 3% didn't know

This seems a fair ranking, as almost half those interviewed ranked others as the same or better off than themselves.

What is therefore depressing, but realistic, bearing in mind the findings of this survey, is that:

- 35% ranked themselves as economically desperate
- 41% ranked themselves as very poor or poor
- 21% ranked themselves as average
- 3% ranked as good

The general perception therefore, is that people see themselves as very poor, and in the same boat as their very poor neighbours.

Interviewers were asked to record observations and comments made by those they interviewed. Several interviews were recorded against a background of children crying with hunger, and interviewees were often referred to as being obsessed with being hungry. People were considered to be realistically pessimistic about their total lack of prospects for a better life. Comments include:

“We will be desperate if nothing changes.”

“Things are getting worse every day, and it does not rain here.”

“Government needs to improve our lives, or we will all be dead.”

“It will be hell if government does not change its attitude and takes our plight seriously. If there is no rain it will be a disaster for me and the kids.”

“Failed rains brought us problems and donors seem to have disappeared”.

“No food, no work, no money. If only I could get cattle to help me plough.”

“The children go to school without eating and are turned away for failing to pay levies. Life is so difficult and drought makes it impossible.”

On the slightly more optimistic side, comments included:

“If government improves, our lives may.”

“Government must do programmes to address poverty, and life could be better. There is political abuse of food, and also abuse of access to the goat programme”.
 “If I could get treatment for my eyes, things might improve” (from blind old man).
 “I have put my hope in my children, I do not see how I can survive in the future otherwise”.
 “I hope for better things if some family members find work”.
 “God will decide....”

Generally, most interviewees were referred to as calm; sad; depressed; realistic. Interviewers referred to several families as clearly being in desperate situations with no obvious way forward.

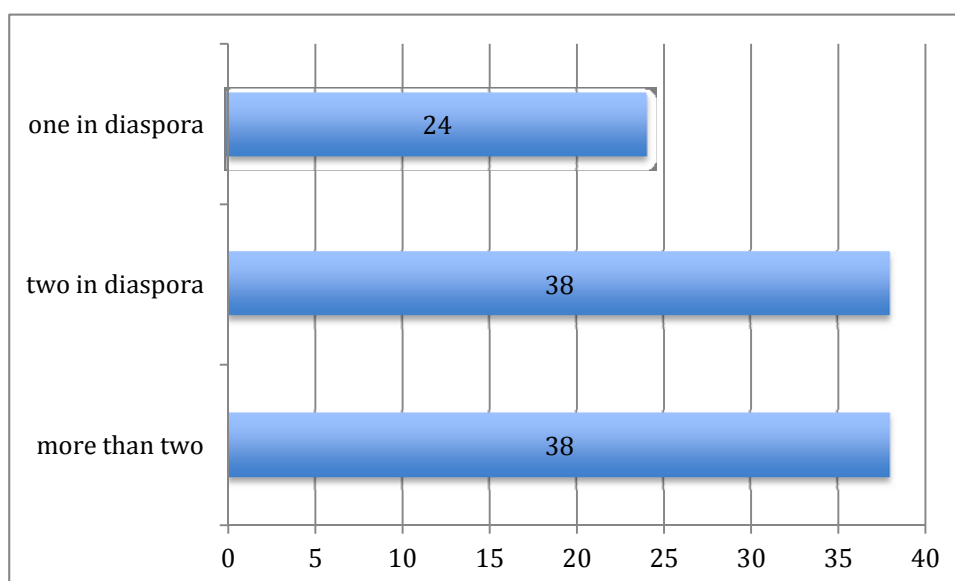
C. The Diaspora – who is out there and what do they send back?

47% of families reported at least one family member in the diaspora, in all instances in South Africa.

Of these Diaspora families:

- 38% have 1 family member abroad
- 38% have 2 family members abroad
- The remaining 24% have 3 or 4 family members abroad.

Graph 9: showing percentage of diaspora families having different numbers of family abroad



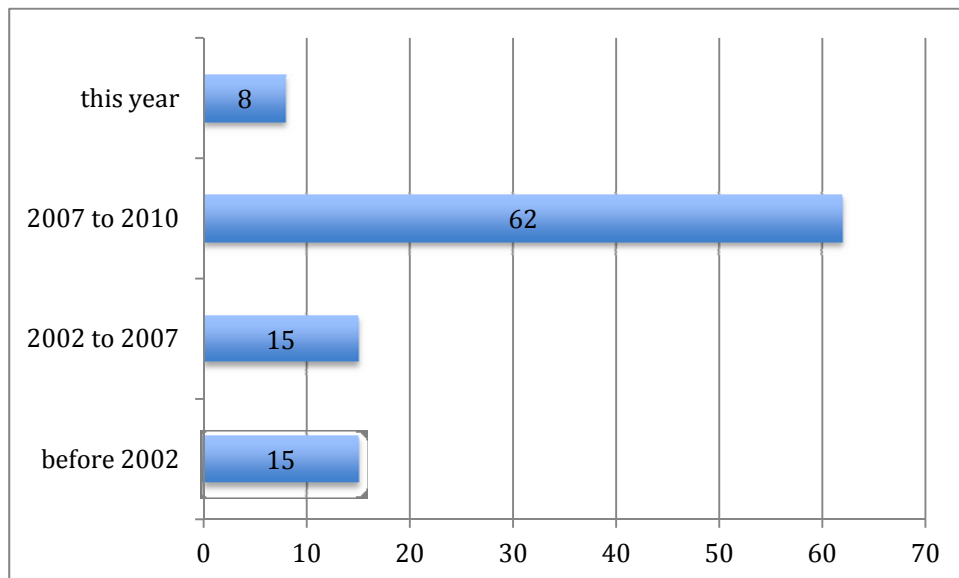
The average age of those abroad is 31 years.

1. Year of diasporisation

- 15% left by or before 2002
- 15% left 2005-2007
- 62% left 2008 - 2010
- 8% left in 2011

13% of families reported a family member that has died in the diaspora.

Graph 10: showing when family members left for the diaspora



2. Home visits by family in the diaspora

- 35% have been home in the last three months
- 9% have been home in the last year
- 21% have been home less often than once a year
- 35% have never returned home

3. Remittances

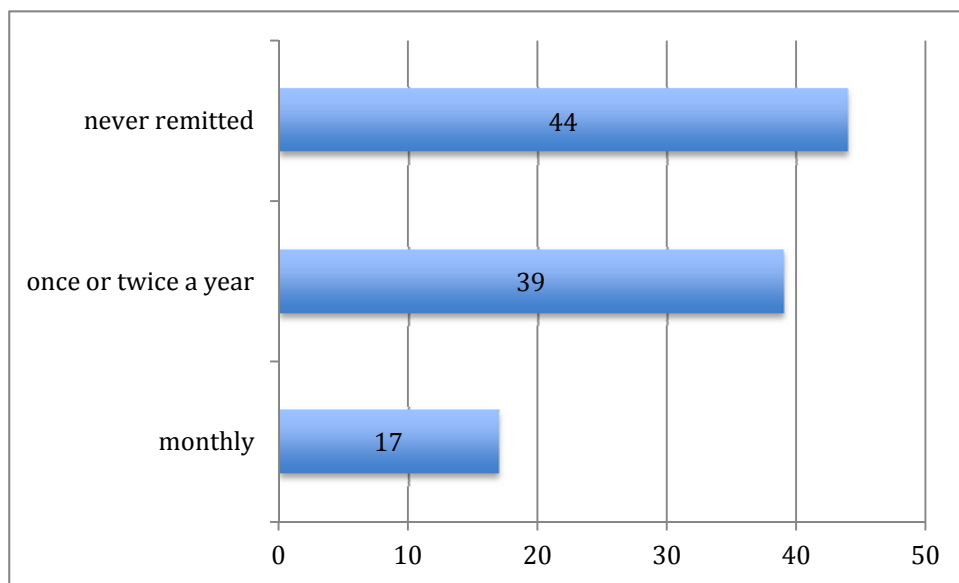
- *44% of those in the diaspora are reported as having never remitted any money or goods.*
- 17% remit monthly, amounts varying from R200 (USD 25) to R 400 (USD 50)
- The balance of 39% of family members abroad are reported to have sent home one-off amounts in the last twelve months, mostly at Christmas, ranging from USD 25 to USD 100. This money has been used primarily to buy food and pay school fees.

Those receiving USD 25 or more a month are clearly benefiting importantly from remittances - bearing in mind the grinding poverty of these families and that such an amount is enough to keep absolute starvation at bay. Those receiving money more erratically, and usually of rather small value, cannot in any way rely on diaspora funds as a means of survival.

In short it is only the 17% of families receiving monthly remittances that can be considered to be benefiting usefully from having family abroad, with the remaining 83% benefiting only very occasionally or not at all.

The usefulness of such remittances is relative too, to the excruciating poverty of these families: generally in Zimbabwe the poverty datum line for a family of four is considered to be more than \$400 per month, so the \$25-50 being remitted monthly to a handful of families in this survey is simply holding death from starvation at bay, and is not enough to buy clothes, pay school fees or meet more than basic maize meal expenses.

Graph 11: showing frequency of remittances from diaspora members



ANNEXURE 1:

CLOSED COMPANIES in BULAWAYO: February 2009 to February 2011

Clothing & Textiles	Motor Industry	Construction
1.The Label Clothing 2.Appeal Apparel 3.Luke Crazy Enterprises 4.JJP Enterprises 5.CM Tailors 6.Chiltern Hats Enterprises 7.Creer Peak Enterprises 8.Global Clothing 9.Golden Lamb Enterprises 10.Hungwe Tailors 11.Interfair Enterprises 12.Jacknor Enterprises 13.JustJax Enterprises 14.Juthee Enterprises 15.Topaz Uniforms 16.Topaz True Value Enterprises 17.Rusglen Garments 18.Safety Africa 19.Cotton Printers	1.Cruiser World 2.Auto Rebuild 3.Bulawayo Vehicle Rebuild 4.Forklift And Auto Services 5.Motor Crafter (1 Week in, 1 Week Out) 6.Superior Service Stations 7.Panel Craft 8.Kingship Motors 10.Quality Tyres 11.Belmont Motors 12.Bike-A-Rama 13.Bulawayo Tyre Services 14.Bulawayo Service Station 15.D'aguair Services 16.Fisher Motors 17.Degas Panel Beaters 18.Blue Stone Motors 19.Caring Auto Shop 20.Bulawayo Motor 21.Ram Murucla 22.Matabeleland Truck Service 23.Permakleen 24.Powerfuel 25.Simms Electrical 26.Bradfield Service Station 27.Skyokes Service Station 28.Truck Tech 29.Vimsha Cables 30.Wholesale Centre 31.Wilson Motors 32.Wymar 33.Autozone Motor Spare 34.E- Stone 35.Aimdex Tyres	1.Tranics Construction 2.True Builders 3.Brentwood Construction
	36.Bulawayo Auto Clinic 37.Graham Bishop 38.Millridge Tyres Service 39.Ready Build 40.SBM Pneumatic 41.Saltock Marketing 42.Aimd Tyres	

	43.Morden Auto Electrical 44.Verdol Panel Beaters 45.Bulawayo Vehicle Rebuild 46.AV Zeederberg 47.Baobab Filling Station 48.National Tyre Services 49.Dougs Autoworks 50.Zambezi Filling Station 51.Amitex 52.Raise Motor Cycles 53.Radiator And Tinning 54.Exodus Africa Auto Services 55.Bambazonke 56.Auto Electrical Tax 57.Exel Panel Beaters 58.Cab King 59.Ozmotec Motors 60.Roto Diesel And Pump 61.Stalite Panel Beaters 62.Styline Panel Beaters 63.United Motors	
--	---	--

LIST OF COMPANIES THAT RELOCATED TO HARARE

1. Hunyani Corrugated
2. Hunyani Printo Pack
3. NatPak Pvt Ltd

ENTERPRISE DEVELOPMENT DEPARTMENT

16 April 2011

State of manufacturing sector in Byo as at April 2011



One third of households we interviewed expect to lose livestock to starvation before the end of 2011: Gwanda district, October 2011.