



## **Dimensions and Drivers of Inequality in Zimbabwe**

### **PRFT's Submissions during the Fighting inequality week campaign (18-25<sup>th</sup> January 2019)**

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The Poverty Reduction Forum Trust (PRFT) joins other civil society organizations that are campaigning against inequality during the Fighting Inequality week running between the 18<sup>th</sup> and 25<sup>th</sup> of January 2019. The Fighting inequality campaign week coincides with the World Economic Forum (WEF) conference happening in Davos, Switzerland where world leaders are gathered to discuss global economic prosperity. It is the PRFT's submission that the global economic prosperity should leave no one behind. As we join other organisations in campaigning against inequality, we share our perspective on the dimensions of inequality in Zimbabwe and what needs to be done to stem the alarming inequality levels in the country.

Fighting inequality should be at the centre of Zimbabwe's development plan. Globally, attainment of sustainable human development has been undermined by increasing inequality and Zimbabwe is not an exception. There is growing consensus that economic growth is a necessity but not sufficient to reduce poverty if it is not inclusive and if it does not involve the three dimensions of sustainable development – economic, social and environmental.<sup>1</sup> This means that economic growth cannot be celebrated as long as distribution of resources and service delivery is benefiting a smaller segment of the population. These observations necessitated the development of the Agenda 2030 and the 17 Sustainable development Goals that all countries including Zimbabwe adopted in September 2015.

Inequality in Zimbabwe manifests itself in several forms and dimensions including lack of access to adequate and quality social services (health care and education), uneven allocation and beneficiation of economic resources (land, mineral resources) leading to uneven employment patterns and income disparities.

There is an uneven distribution of basic services with some social groups especially People living with disabilities, being increasingly excluded from enjoying basic rights such as health and education. The marginalized groups continue to face inequality in form of lack of access to justice across the entire human rights spectrum.

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<sup>1</sup><https://www.un.org/sustainabledevelopment/inequality/>

The level of access to economic resources is a key determinant to social and economic inequality trends in Zimbabwe. Zimbabwe is endowed with vast natural resources such as land; minerals, water, forest products and recently new forms of energy such as solar and hydro. However, persistent and structural gender inequality in land rights, mining and environmental governance continues to undermine women's rights and the development potential of the sector. Entrenched gender bias not only prevents women and youth from engaging with and accessing economic benefits from public resources, but manifests in how private companies and governments engage with communities. Gender-blind policies and practices and decision-making processes give rise to the systematic exclusion of women, a silencing of voices, interests and human rights infringements.

Zimbabwe is currently characterized by a highly informalised economy which in turn has contributed to the widened inequality gap. A number of factors have contributed to the growing inequality in the sector and these include lack of policy and resources support environment, low levels of participation of the sector in decision making, corruption and mismanagement of resources among others. Gender inequality has increased due to a regressive taxation system and harsh municipal by-laws and regulations. The Government's economic policies have continued to support the dual economy system which implies the notion of an enclave and structural induced inequalities. The informal sector activities and women dominated communal farming are still viewed as less important than the large scale businesses and corporates yet they have become a huge source of food security and employment for many households. The impact of gender blind policies in the informal sector greatly affects women who constitute a large proportion of the informal sector employees.

Inequality in Zimbabwe is also manifesting itself in lack of inclusiveness and equality in the government's financing development approaches. The government is on a drive to generate resources for economic recovery through attracting Foreign Direct investment (FDI) under its **"Open For Business"** mantra. Lack of participation by the citizens in public policy formulation in Zimbabwe continues to undermine the positive developmental benefits that accrue from these investment deals. This has been a breeding ground for poverty and inequality as most policy decisions being made leave the majority of citizens more poorer. The government's private driven economic policies tend to support the neoliberalism agenda, a developmental model that has failed to stem high levels of poverty and inequalities in most countries.

### **Our Key Recommendations**

- Tackling inequality requires a holistic approach in addressing barriers to social and economic marginalization.
- To improve access to social services and income opportunities especially by the disadvantaged social groups in the country, concerted efforts should be put to address

issues such as accountability gaps, lack of citizen representation in public policy making and access to information.

- There must be concrete actions by all stakeholder on addressing power imbalances in the country.
- Fighting economic inequality requires the government to consider adopting a sustainable developmental state approach as an alternative model to the neoliberalism agenda. The developmental state model is a balance of market and state approaches to economic development and it puts more emphasis on all stakeholders' participation in economic development.
- There is also need for a multi sectorial approach in addressing all the causes of inequality in the country. The government cannot go it alone. Partnerships among government institutions, policy makers, private sector, civil society organizations, academia should fostered and strengthened.