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This paper explores the collapse of the alliance between commercial farmers and the state in Zimbabwe. It argues that relations had deteriorated irrevocably by the late 1990s, precluding opportunities for compromise, and concludes that farmer opposition to the constitutional referendum in 2000 was symptomatic of deteriorating relations, rather than the catalyst. These assertions are based on interpretation of several key interacting issues: the reconstitution and politicisation of land demand within Zimbabwe’s deteriorating socio-economic climate; the internal reconfiguration of the ruling party under pressure from black empowerment interests and war veterans,; the radicalisation of land policy through ZANU PF’s aggressive centralisation of the land issue within the political and economic crises; and finally, a limited awareness of these issues by commercial farmers, donors and the international community, and consequently poor counter-strategising by these groups.


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“I survive extremely well in a very hostile [race] environment… but without the hostility, I am not in business”

- Roger Boka (Black Empowerment Leader) 1996.³

“CFU is in a difficult position… As issues become more clouded it becomes increasingly arduous to see how to act in the best interests of the farmers”

- David Hasluck (CFU Director) January 1997.⁴

### TABLE OF CONTENTS

1 INTRODUCTION .............................................................................................................................................3

1.2 ACTIVE POLITICIZATION OF THE LAND QUESTION ........................................................................3

1.2.1 LEGAL CONTESTS AND THE JUDICIAL cul de sac .................................................................7

1.2.2 THE WANEING INFLUENCE OF THE TECHNOCRATS ...............................................................9

1.2.3 RACIALISATION OF THE LAND QUESTION .............................................................................10

1.2.4 THE DETERIORATION OF BRITISH-ZIMBABWE RELATIONS ..................................................13

1.3 THE RADICALISATION OF BLACK ECONOMIC EMPOWERMENT (BEE) .........................15

1.3.1 THE INGENIOUS COMMERCIAL FARMER’S UNION (ICFU) ..................................................17

1.3.2 THE SELECTIVENESS OF EMPOWERMENT ...........................................................................18

1.3.3 EMPOWERMENT, WAR VETERANS AND THE STATE ..............................................................20

1.4 THE COLLAPSE OF THE STATE- FARMER ALLIANCE ..............................................................22

1.4.2 THE 1996 TOBACCO LEVY .......................................................................................................23

1.4.3 THE INEFFECTIVENESS OF FARMER INITIATIVES ...............................................................27

1.4.4 THE DETERIORATING INSTITUTIONAL EFFECTIVENESS OF THE CFU ............................29

1.4.5 THE 1998 DONORS CONFERENCE .............................................................................................31

1.4.6 THE INCEPTION PHASE FRAMEWORK PLAN (IPFP) ...............................................................33

1.4.7 WHITE FARMER MOBILISATION AND THE CONSTITUTIONAL REFERENDUM .............37

1.5 CONCLUSION .............................................................................................................................................40

BIBLIOGRAPHY .....................................................................................................................................................41

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⁴ Minutes of the CFU President’s Council Meeting, 29 January 1997.
1 INTRODUCTION

Zimbabwe’s highly visible and often-violent crisis after 2000 tends to obscure the significant changes that took place during the late 1990s. The constitutional referendum of 2000 was an evident watershed, but it was set within a wider reconfiguration of the national political order and the changing realignments of key interest groups. To set up my analysis of the alliance’s collapse, I discuss two processes. Firstly, I examine how an active politicisation of the land issue by ZANU PF after 1995 allowed the ruling party to secure a monopoly over the moral issues and political capital of the land debate. Secondly, I explore how the radicalisation of the black economic empowerment lobby interacted with high-level corruption and the demands of war veterans, and how these together shifted the balance of power within the ruling party and the state. The third part of the paper examines the impact of these realignments on the deteriorating relationship between commercial farmers and the state. It illustrates the diminishing influence of white farmers, as well as other groups, in land and agricultural policy decisions. I argue that reduced state support, increased taxation and a state-sponsored smear campaign marginalised white farmers politically, economically and socially and that this prompted farmers to exit from the alliance and support an emerging political opposition.

1.2 ACTIVE POLITICIZATION OF THE LAND QUESTION

Land in Zimbabwe has always been politicised, but after 1996 the nature of its political significance and utility changed. Chapter Four of my thesis illustrated mounting incompatibility between populist-based ‘political’ arguments for radical reform, and technically-grounded ‘economic’ arguments for moderate approaches (Selby 2006). This paper explores how radical sentiments overwhelmed judicious options. Control of the land question and its political capital was monopolised by the ruling party. An objective of the 1992 Land Acquisition Act was to shift jurisdiction over property rights from the judiciary to the state executive in order to speed up land transfers. On Independence Day, in April 1993, Mugabe explained the need for the state to adjudicate the land process and emphasized the central role of the ruling party within the state. He reiterated this view when opening parliament in September 1994, repeating his intentions to resettle another five million hectares of land. Moyo (1994: 4) saw this state empowerment as a positive step:

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President Mugabe affirmed the central role that the state, as a sovereign entity, needed to play in land reform. (This) anchors the role of the state in adjudicating… the rights of the landowners…and also the land rights, needs and demands of the voiceless rural majority

However calls for a strong state to lead and revitalize land redistribution ignored the ease with which other stakeholders could be excluded, and the negative implications of this. In short, those outside the patronage of ZANU PF were unlikely to benefit. Increasing control of land by the ruling party contrasted with the recommendations of the Rukuni Commission (1994:140), the CFU and most donors, who called for adequate representation of all stakeholders. When Denis Norman was reappointed Minister of Agriculture in 1995, ‘land’ was separated once more into a Ministry of Lands and Water as it had been between 1980 and 1985. Mugabe apparently joked with Norman that he did not trust him with the Lands portfolio because it was too important. In 1996, the new Land Identification Committees, appointed by the ruling party and consisting of ZANU PF, government and AGRITEX officials, explicitly excluded commercial farmers. David Hasluck (CFU Director) argues that the administration of the land issue changed dramatically during 1996, when Mugabe shifted control and responsibility from the Ministry of Lands and Water into the confines of ZANU PF’s central committee. Mugabe used his 1996 Presidential election campaign to raise the political and racial elements of the land issue, to which most farmers responded by adopting low profiles. Hasluck was invited to a politburo meeting and asked why so few whites attended rallies. He replied that “it is difficult to pluck up the courage to attend a mass rally if you were going to be castigated as a white racist that had frustrated government’s land program.”

Initially, the CFU misjudged this politicization. After attending a meeting of the ZANU PF Central Committee on 18 February 1996, David Hasluck reported back to council that “the land issue is politically sensitive and will always be canvassed, especially by the President, in any political campaign”. When the anti-white rhetoric continued after the election, the CFU accepted the seriousness of the new direction but had no clear strategy. In May 1996, Peter MacSporran noted that “the political situation had deteriorated from bad to worse” and that “farmers are in for a difficult time”. His suggestion was to “lobby and improve the PR status of the Union with the general public”, in the hope that public awareness would mediate and moderate the land agenda. Rob Webb (President ZTA) wanted “more macro political and economic debate”, to generate “better farmer awareness of bigger issues”. Hasluck explained the

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6 Interview with Denis Norman, Sussex, October 2004. CFU minutes noted that “this (Ministry) was split due to the political requirement for the redistribution of resources”. Minutes of the CFU Council Meeting, 26 April 1995.
8 Interview with David Hasluck, Nyanga, March 2003. He also stressed this to CFU Council. Minutes of the CFU President’s Council Meeting, 29 January 1997.
9 Minutes of the CFU Council Meeting, 27 March 1996.
10 Minutes of the CFU Council Meeting, 27 March 1996.
11 Minutes of the CFU President’s Council Meeting, 29 May 1996.
difficulties of distinguishing between election hype, empowerment rhetoric and genuine policies. 12 Mr Taylor, from the Matabeleland branch, felt that “more attendance at political events was needed”. 13 Such vague proposals illustrated the CFU’s awareness of the problems, but their diminishing ability to respond to them.

Within government, moderate officials realized that the issue was moving beyond their control, but also failed to offer practical alternatives. Dr Kangai explained that there were a variety of strong ‘political’ views within the government and within the party and that opinions were hardening. 14 He claimed to have repeatedly defended the CFU’s position in cabinet, but was increasingly frustrated by the ‘token compromises’ of white farmers. Kangai described the farming sector as a lion that had eaten and eaten but refused to let anyone else near the prize. In August 1996, his critical address to the CFU Congress was interpreted as “dictatorial”. 15 He “told the farmers to come up with offers of land…or else we will be forced to resort to identifying it ourselves”. 16 Several Ministers, who had accepted invitations to the Congress, failed to show up, suggesting that the range of stances within the ruling party and the government were aligning against the perceived intransigence of the CFU. 17

The CFU continued to direct Kangai towards the land market, towards extensive areas of unsettled state land, and towards underutilised parastatal land, particularly that belonging to the Agricultural Research Development Authority (ARDA). 18 Most CFU leaders felt that there was hypocrisy in identifying productive white-owned land when government farms were underutilised, and often recognised to be so by government officials. 19 Robbie Mupawose acknowledged that there was need to reform the state sector but that the CFU presented the issue in a condescending manner that implied government and general black incompetence. 20 The Farmer subsequently discussed the designation of a working 6000 ha ranch adjoining Nuanetsi Ranch. 21 Nuanetsi, measuring 300 000 hectares, was owned by the Development Trust of

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12 Interview with David Hasluck, Nyanga, March 2003.
13 Minutes of the CFU President’s Council Meeting, 24 April 1996.
15 Minutes of the CFU President’s Council Meeting, 25 September 1996.
16 Interview with Malcolm Vowels (CFU regional representative), Concession, September 2000.
17 Minutes of the CFU President’s Council Meeting, 25 September 1996.
18 In 1997, CFU Minutes record that there were many empty farms between Odzi and Save, and also in Shamva north but that most of these farms were owned by blacks and therefore outside the scope of the exercise. Minutes of the CFU Council Meeting, 29 January 1997.
19 Interview with Nick Swanepoel, Chinoiyi, January 2005. The Rukuni Report (1994) cited parastatal farms as a key sector for review. Roth (1994: 29) noted that ARDA losses had increased during the 1980s to more than US $2.5 million per annum by 1989, and that only five percent of their land area was cropped.
20 Interview with Dr Robbie Mupawose, Harare, January 2004.
Zimbabwe (DTZ) and, according to the article, remained “virtually derelict”. In much the same way that Mangwende’s procurement of a prime farm had created international uproar, so such stark inconsistencies in land designation angered farmers, donors and other critics.

Most farmers attributed the stagnation in land transfers to government shortfalls in funding allocations and broader resettlement capacity. The CFU identified nineteen different ministries involved in land settlement in 1996, compared to sixteen in the mid-1980s and eleven in the early 1980s. Waning government credibility among farming leaders suffered a further setback when Nick Swanepoel (CFU Vice President) claimed that he had inside knowledge from contacts in Makonde that prime land would be allocated to senior officials. By 1996 the race issue was at the heart of this land politicisation process and fed into the empowerment agenda. As the state assumed control of ‘land’, and the ruling party increased control of the state, so an alliance of empowerment interests increased its influence within the party. At ZANU PF’s 1996 congress in Bulawayo, CFU sources warned that 2028 farms had been identified for compulsory acquisition, and that a “young radical empowerment group had led the agenda”. In November 1997, 1471 farms were listed for compulsory acquisition. However, most identified properties did not match the ‘Kangai principles’ (Moyo, 2000). When the CFU asked for clarification, Dr Kangai claimed that “other criteria” had been used in the selection process, including “political reasons”. In 1993, Dr Kangai had conceded that ‘political reasons’ were used in the identification of Altena farm in Centenary. He explained that this was ‘symbolic’ because it was the first farm attacked during the war - he went on to assure the CFU that such designations would be isolated. By 1998, his acknowledgement of the use of “social and political reasons” as core elements of the 1997 identifications, demonstrated how the politicisation of land had become a dominant feature of the process by the end of 1997. Within this, the logic of simply securing land from whites began to override rational approaches.

22 The DTZ was initially established by ZAPU and chaired by Joshua Nkomo.
23 Minutes of the CFU President’s Council Meeting, 27 November 1996.
24 Minutes of the CFU President’s Council Meeting, 29 January 1997: Security Report. Swanepoel was renowned for contacts within the ruling party. This information was offered in confidence to CFU Council.
25 Minutes of the CFU President’s Council Meeting, 29 October 1997.
26 Interview with Dr Kumbirai Kangai, Harare, December 2003. Dr Kangai claimed that he would have preferred a more consensual approach, but was under pressure from the politburo. Minutes of the CFU President’s Council Meeting, 29 October 1997.
27 See Appendix 4.3. Discussions with Chris Pohl, (Previous owner of Altena Farm), Harare, January 2004.
1.2.1 Legal Contests and the judicial cul de sac

Some members of the ruling party viewed the preparedness of ‘white farmers’ to legally challenge farm designations as confrontational. By exposing technical and legal shortfalls in government’s reform program white farmers were seen to belittle the social and political significance of the land issue. The legal system’s exposure of the program shortfalls was also interpreted as a hostile gesture, rather than as an inherent flaw of the program, even when listed farms clearly violated identification criteria. Joseph Msika subsequently claimed that farmers were responsible for the politicization of the land issue because they took government to court. My analysis suggests that Msika’s observations were retrospective, and that politicisation of the land issue conveniently provided a means of circumventing legal procedures.

Since the early 1990s, influential elements of the ruling party perceived the law to be more of an obstacle than a vehicle for achieving land redistribution. In 1991, during and after the emergency farmers’ meeting, Witness Mangwende asked white farmers not to seek legal recourse, admitting that government was wary of the courts. During a heated meeting shortly afterwards, Patrick Chinamasa (Attorney General) warned David Hasluck that if the farmers resorted to legal proceedings, the government would simply change the constitution. Simon K Moyo declared in Parliament in 1992 that “the land issue is a political issue … it is not an issue for the judiciary!” Following opposition to the initial land listings in 1993, Mugabe declared that he would “brook no decisions from any court that rules against government policy” and that if the law did not suit the modalities of land then they would simply change the law.

Both parties were aware of two things: firstly, that the legislation of the 1992 Land Acquisition Act (LAA) was weak and, secondly, that it could be changed. By agreeing to the Kangai principles an uneasy truce ensued. However, every batch of farms designated for compulsory acquisition since 1993 included properties that violated the agreed identification criteria. This was indirectly acknowledged by government when most of the 1994 listings were revoked. Likewise most of the 1471 farms gazetted in 1997 were ‘delisted’. Of the 1993 listings, four farmers contested their cases legally. Two key cases, including those brought by Henry

30 Although farmers were in strong legal position to oppose designation, the CFU were warned by their lawyers to use legal recourse as a last resort. Interview with Richard Wood (Atherstone and Cook) Harare, January 2004.
31 Interview with David Hasluck, Nyanga, March 2003.
33 Minutes of the CFU Council Meeting, 29 September 1993: L&L 19684.
Elsworth and Alistair Davies, illustrated the time and cost concerns of legal recourse.\textsuperscript{34} By the end of the following year, Alistair Davies’ case was still being remanded. According to CFU records it was unlikely to succeed but government did not want to lose it, so kept deferring.\textsuperscript{35} Hereford Farm’s case had also been protracted and although the Minister lost the case in the administrative court, the Agricultural Finance Corporation (AFC), on ‘political’ directives, tried to seize farm equipment.\textsuperscript{36} Max Rosenfels, from Matabeleland, had a farm identified for acquisition in 1996, which he conceded the following year, but had still not been compensated for two years later.\textsuperscript{37} It is also important to contextualise the number of legal challenges. Approximately 200 farms were listed between the 1992 LAA and the 1997 listings, of which about 100 were de-listed. Less than ten were legally contested. The rest were conceded.

When the 1997 mass listing of 1471 farms took place, Alex Masterson, the CFU legal representative, wrote to the government asking for a clear position on the land program.\textsuperscript{38} Early in 1998 Masterson warned CFU Council against using court action before negotiation.\textsuperscript{39} Hasluck feared that it would sour relations and could set a negative legal precedent. In response to member concerns, the Agricultural Promotion Trust was established as a central fund from which members could draw to fight designation independently.\textsuperscript{40} Approximately 1200 appeals were lodged after the 1997 listings, resulting in renewed anti-white rhetoric at the beginning of 1998, in which the normally amenable Minister Kangai threatened to designate the farms of “all racists and critics of government” – he did not elaborate on what specific criteria identified or distinguished these groups.\textsuperscript{41} Mugabe again warned that the land issue was ‘political’ and would not be derailed by the courts. By actively politicizing the land issue through rhetoric, through selective portrayals of the land issue, and through populist justifications, the government sought to circumvent or even override its own legal framework.

\textsuperscript{34} Minutes of the CFU Council Meeting, 23 February 1994. Davies had been Vice-President of the CFU in the 1980s. His tobacco farm in Centenary was highly developed and did not meet any of the Kangai Principles.
\textsuperscript{35} Minutes of the CFU Council Meeting, 27 September 1995 and Minutes of the CFU President’s Council Meeting, 29 May 1996. The latter set of minutes record that the hearing was due on 30 May 1996.
\textsuperscript{36} Minutes of the CFU Council Meeting, 23 February 1994.
\textsuperscript{37} Minutes of the CFU President’s Council Meeting, 27 May 1999.
\textsuperscript{40} Minutes of the CFU President’s Council Meeting, 26 November 1997. A call to members for a $1000 donation each was well supported. A special levy was subsequently added to CFU membership fees to fund land contestations: Minutes of the CFU President’s Council Meeting, 27 May 1999.
\textsuperscript{41} “Minister Warns Racist Zim Farmers”, \textit{Dispatch Online (SA)}, 6 February 1998.
1.2.2 The Waning Influence of the Technocrats

The ruling party’s active politicization of land was reflected in the waning influence of more moderate individuals and government departments. This was well illustrated in the land tenure debate. Parliamentary discussions during the drafting of the 1992 LAA led Mugabe to appoint a Land Tenure Commission (LTC). Popularly known as the Rukuni Commission (1994), it was a comprehensive study of Zimbabwe’s land and agricultural structure. Most key stakeholders were represented to some extent, with strong input from small-scale farming groups and rural communities.\(^{42}\) The report offered a clear set of recommendations for each farming sector. The key recommendations were to retain but decentralize communal tenure in communal areas, to allocate longer-term leases in purchase and resettlement areas with a view to granting private tenure, and to retain freehold tenure in commercial areas (Rukuni 1994: 49, 69, 83 and 99). It emphasized dire pressure on land within communal areas, but also noted the differentiated nature of the commercial farming sector and the varied concentration of skills, productivity and employment within it. Most significantly the Report recommended the appointment of an Independent board to adjudicate land redistribution. The recommendations were supported by the CFU, the ICFU, the ZFU, the World Bank and the British Government. Whilst government agreed with the commission in principle, it was ignored in practice - a poignant illustration of how moderates and technocrats within the government and the agricultural sector were being sidelined. Indirectly, government’s stance also amounted to a dismissal of key donor groups.

Shortly after the Rukuni Report was published, Dr Kangai reassured Denis Norman that short-term resettlement would proceed on land that had already been acquired (approximately 200 000 hectares at that time), and that medium term reform would follow the recommendations of the report. Towards the end of 1995, on ZBC’s Sunday evening *Insight* Program, Dr Kangai stated that the Land Tenure Commission’s recommendations would be incorporated into an all-encompassing land act that would establish concepts of maximum farm size, land taxes and a principle of one man - one farm.\(^{43}\) Professor Rukuni has subsequently expressed frustration at the lack of response to the commission, citing ‘politicians’ and the ‘waning influence of technocrats’.\(^{44}\) Dr Kangai lamented the fact that the recommendations were not implemented,

\(^{42}\) Four of the twelve commissioners were traditional leaders and four were representatives of different farming groups. The last four included two academics and two prominent members of the agricultural industry.

\(^{43}\) Minutes of the CFU Council Meeting, 27 September 1995.

\(^{44}\) Interview with Professor Mandivamba Rukuni, Harare, February 2004.
and cited “a range of political views within the party”. He also explained that the resistance of white farmers undermined the credibility of moderate politicians within the politburo:

They were simply against any type of land redistribution. Why did they go to court, why did they oppose things like the land tax? Why did they not offer land? This allowed impatient members of the party to say to me ‘look, see … your route is not working … these whites are just opposed to everything, even when you try to include them’.

Dr Mupawose argued that polarizing perspectives between CFU and the government undermined the recommendations of the Rukuni Commission, and their chances of implementation. As the issue dragged on, moderate stances within government were increasingly seen to be part of the reason for the stagnation in land redistribution, and so calls for more fundamental measures from the hard-line elements within ZANU PF gathered momentum.

1.2.3 Racialisation of the Land Question

Race has always been a central aspect of the land question, but was actively promoted and distorted within the politicisation process. The more land was politicised, the more race formed the overriding principle and the more sustained and concerted anti-white rhetoric became. Anti-white sentiment had simmered throughout the 1980s and 1990s. CFU records during the 1980s contained sporadic references to anti-white propaganda, and elements of the 1992 LAA debate sometimes moved towards race. However, after 1995, the state media’s derogatory portrayal of whites increased drastically. During 1996, Roger Boka’s empowerment campaign in the public media was more centred on denigrating whites than empowering blacks. It was effective and contagious. ‘White farmers’ and their ‘racist ways’ were portrayed as the core problem within the land deadlock, even among intellectuals. For example, Moyo (1994: 8) linked farmer resistance to racsim:

White farmers believe that they, not the state, should decide on land designation…
(but)such decision making powers in designating land undermines the legitimacy of

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46 Professor Sam Moyo also argued that farmer and donor intransigence allowed the ‘radical wing’ of ZANU PF to gain ascendancy. Interview with Professor Sam Moyo, Harare, January 2004.
48 For example, see Simon K Moyo’s speech in Hansard Record of Parliamentary Debate, 17 March 1992.
49 See Appendix VI.
the elected government in adjudicating the land problem...it is a pretence that land grievances do not exist or are irrelevant in implementing land designations. Most interestingly it demonstrates an arrogance that only makes sense in racial parlance.

The white community’s visible affluence and continued social isolation, which amplified during structural adjustment, provided a target and a catalyst for anti-white sentiment. An independent consultant identified the racial exclusiveness of the CFU as their biggest weakness and greatest threat.\textsuperscript{50} Racism among some whites was still prevalent and mounting scepticism among farmers towards government was often explained through condescending cultural perspectives. Some farmers maintained conservative attitudes with racial undertones. For example, a CFU report from 1995 records that “Mr de Klerk suggested that the use of rubber bullets when dealing with poachers and stock thieves was a good idea”.\textsuperscript{51} However, other farmers, particularly the younger generation, were more enlightened and socially proactive.\textsuperscript{52} Von Blackenburg (1992 and 1994) identified increased co-operation between white farmers and black farmers in communal areas during the 1992 drought. He discussed changing attitudes among whites, particularly towards social responsibilities and suggested that two-thirds of white farmers felt they were socially accepted by black Zimbabweans.\textsuperscript{53} Most of his respondents acknowledged that they needed to integrate more and were willing to do so, but that it was often difficult to know how. Similar patterns of social isolation exist among the settler societies of Argentina and Australia, and in the established farming cultures of the United States and Europe. Unsociable work patterns, geographical isolation, social norms and cultural peculiarities detach commercial farming groups. The nature of this isolation in Zimbabwe was reinforced through the organisational structures of the communities and their institutions, including security networks, co-operative buying pools and country clubs. However for many blacks these arrangements were insignificant and irrelevant to the overriding and enduring divisions between black and white. The combination of race and affluence was particularly unpalatable, leaving white farmers with few sympathizers among the wider population. ZANU PF actively expanded its intelligence network in the farming areas during this period and gathered information on farmers and the farming community. Every farm had informers, as did key gathering points such as country clubs.\textsuperscript{54}

\textsuperscript{50} During the early 1990s the CFU employed an independent consultant, Professor Michael Bratton, to conduct a study into the CFU’s political and structural weaknesses and threats. A copy of the report is in the CFU archives. 
\textsuperscript{51} Minutes of the CFU Council Meeting, 28 June 1995.
\textsuperscript{52} Weiss (1994) distinguished between ‘Rhodies’ and Zimbabweans and also noted the generational differences.
\textsuperscript{53} Compared to 1970, when less than 40 percent of white farmers had been born inside the country, more than 80 percent of remaining whites had been born inside the country by 2000 (Brand, 1981: 38; CSO, 2003).
\textsuperscript{54} In the case study area it subsequently turned out that the barman at the Concession club and the barman at the Barwick club were ZANU PF officials. Many farmer respondents described the astounding levels of information that local Party authorities, such as DAs, seemed to have on individual farmers, their families and their backgrounds.
In March 1996 there was protracted discussion among farmers about whether ZTA and CFU should react to racist statements by Roger Boka, or to the racist rhetoric in the press. 55 Both councils decided against a countering media strategy, as “the press was unlikely to be sympathetic to farmers”. 56 The Farmer commented on the state media’s hostility towards whites:

Zimbabwe is now a land where the trumpets of hatred … threaten to drown the voices of reason…A land where ‘indigenous’ means blacks only… a land tacking perilously close to the official appellation pariah state. 57

The press campaign targeted individual farmers, sometimes accurately, but usually not. CFU minutes recorded racially sensitive incidents in their PR section, and during this period they steadily increase. There was a notable shift in official attitudes and policies towards farmer behaviour. Many incidents were exaggerated, distorted or misrepresented. Mugabe publicly declared that “notorious and racist farmers will be targeted first”. 58 Most state coverage focused on allegations of racist attitudes, arrogance, a lack of concern for farm workers, and financial greed. Roger Boka and Philip Chiyangwa admitted that there was a concerted and systematic campaign to discredit white farmers. 59 A CFU Security Report reads:

there is regrettably a growing tendency on the part of the authorities to regard offences committed against the commercial farming sector with some degree of laxity, whilst offences committed by members of the commercial farming sector are regarded with a considerable degree of severity. 60

The following year Nick Swanepoel (CFU President) urged farmers to tread carefully, stressing that “a single wrong action or comment by a single farmer could jeopardise the whole group”. 61 This was a tense period for white farmers, notable for the absence of reassurances from those officials previously perceived to be moderate. Even Dr Kangai declared to parliament in 1998 that ‘racist farmers’ would be targeted in land identifications. 62

55 This campaign was a counter strategy to the CFU/ZTA press campaign of 1993, but rather than countering the facts and figures cited by the CFU and ZTA, it sought to inflame issues of race and history.
56 Minutes of the CFU Council Meeting, 27 March 1996.
60 Minutes of the CFU Council Meeting, 31 January 1996.
61 Minutes of the CFU President’s Council Meeting, 24 September 1997.
1.2.4 The Deterioration of British-Zimbabwe Relations

Politicization provided a medium of unity among many pro-land redistribution interests, but the rhetoric of race and revolution isolated other important groups. ZIANA reported in 1996 that “racial and inflammatory remarks by Zimbabwean government officials and radical black pressure groups against whites are reportedly discouraging major western business persons from investing in the country”.63 This isolation spread into diplomatic circles and a long history of Imperial distrust between Harare and Britain (Lee 2003). For members of the ruling party, scepticism of British strategic policies dated back to UDI. Stoneman and Cliffe (1989: 29) argue that the British remained largely passive about Rhodesia for the first ten years of UDI. Although relations improved after 1980, distrust re-emerged in the incomplete reconciliation of the 1980s (Raftopolous et al 2004). Accusations of a British plot to perpetuate the Lancaster House constitution through funding conditions, were prevalent in Government rhetoric and cited as a reason for the subsequent slow-down in the land transfer process, although Margaret Thatcher reaffirmed support for a market based reform program (Palmer, 1990:163). In 1991, a Times (London) editorial stated that there was “no point in paying good British money to support a catastrophically bad resettlement policy”.64 After the 1992 LAA, diplomatic relations deteriorated further. In 1993, the British informed the CFU that they would not support a compulsory reform process.65 Moyo (1994: 8) argues that farmer lobbying against the LAA created donor flight, but Britain had remained steadfastly opposed to compulsory acquisition.66 In a meeting with CFU officials on 23 January 1996, Dr Kangai admitted that government did not have the funds for resettlement.67 Mugabe used his 1996 election campaign to press Britain on funding obligations. According to CFU records:

the main thrust of the sentiments expressed [during the campaign rallies] were that if the British government are not prepared to make any more money available for land acquisition there would be a taking of the land… and that an accelerated program to finalise the land issue would be in place and implemented during the next 5 years.68

66 Interview with Richard Lindsay, British High Commission, September 2001. Lindsay cited concerns about compulsory acquisition and argued that the British government reached them independently of the CFU or the press.
67 Minutes of the CFU Council Meeting, 31 January 1996.
CFU minutes continue: “the fact remains that there is still ample land available for government needs for resettlement but very little money for land acquisition”. In June 1996, Baroness Chalker promised support, but reiterated Britain’s insistence on the willing-buyer willing-seller format. Mugabe was adamant that if British funding was not forthcoming, he would take land and not pay for it. The CFU subsequently tried to organize a meeting with the ZFU, the British delegation and the government, noting that Kangai appeared willing, but Mugabe reluctant. The meeting did not materialise, but in October an ODA (1996) report on land reform proposals confirmed that Britain was firmly in support of a willing-buyer willing-seller concept, but not compulsory acquisition. Kangai refused to comment specifically on the report but warned that government would proceed with extensive reform if necessary.

Mugabe set the British government a July 1997 deadline to resume funding for land (ICG 2004: 54). In the meantime, whilst the government stressed its funding limitations, the War Victims’ Fund scandal emerged (see below), in which approximately US$100m was looted by senior officials, and about US$200 million was pledged in gratuities to placate the real war veterans. This amounted to nearly twice the total funding spent on land acquisitions since 1980, but Mugabe ignored this incongruity and simply stepped up his self-righteous calls for British funding. In early November 1997, he restated that his government would only pay for ‘improvements’, not for the land, and that Britain would have to look after the white farmers. Clare Short, the Development Secretary, responded to Minister Kangai on 5 November 1997:

I should make it quite clear that Britain does not accept that it has a special responsibility to meet the costs of land purchase in Zimbabwe. We are a new government with diverse backgrounds without links to former colonial interests. My own origins are Irish and as you know we were colonized not colonizers. We do however recognize the very real issues that you face over land reform… we would be prepared to support a program of land reform that was part of a poverty eradication strategy but not on any other basis.

Many analysts identify Clare Short’s letter as a key moment in the frosting of relations between Harare and London (Chan 2002). Dr Kangai described it as “incredibly insensitive… (with) a

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69 Minutes of the CFU Council Meeting, 27 March 1996.
70 Minutes of the CFU President’s Council Meeting, 26 June 1996.
71 Minutes of the CFU President’s Council Meeting, 26 March 1997.
72 Minutes of the CFU President’s Council Meeting, 27 November 1996.
74 Copy of the Letter from Clare Short to Minister of Agriculture and Land, Hon K. Kangai, 5 November 1997.
complete lack of understanding, or respect, for the Zimbabwean administration”.75 Denis Norman, who had severe reservations about the direction of the land program at that stage, described the letter as “tactless”, and John Laurie was equally critical of Short.76 The letter was instrumental in aligning the moderate camps within ZANU PF with the more radical groups, and Mugabe immediately ordered the designation of 1471 farms (4 million hectares) for compulsory acquisition on 11 November 1997 (ICG, 2004: 54).77 Blair subsequently wrote to Mugabe in more diplomatic fashion the following year, but later advised that he would be sending the High Commissioner to the 1998 Donor’s conference, rather than attending personally. By the time the British government had back-pedalled it was too late; the utility of the diplomatic rift to the Mugabe regime had become clear, and has since been used to maximum advantage. It allowed Mugabe to portray the land deadlock as part of a bilateral disagreement within a wider set of historical grievances.78 It also allowed him to corral the various camps within ZANU PF.

British support for land transfer has been disappointing, particularly in view of pledges before and during Lancaster House, and the precedent of Kenyan land buyouts. Lord Carrington, who chaired Lancaster House, recently acknowledged British responsibilities, but stopped short of admitting that he had given full funding assurances in 1980.79 Commercial farmers appear to have been largely irrelevant in this rift. The CFU could possibly have played a more proactive stance in lobbying British financial support, rather than fuelling donor scepticism, but farmer doubts over British integrity dated back to UDI. In any event this is unlikely to have shifted the direction or momentum of the issue, as Britain remained firmly opposed to a buy-out.

1.3 THE RADICALISATION OF BLACK ECONOMIC EMPOWERMENT (BEE)

The formal black empowerment agenda of the early 1990s made little impact on the slow pace of reform in white-controlled sectors, especially banking, mining and farming. Glaring disparities in resource access continued: in 1980 there were 7000 dams in ‘white’ areas, irrigating 100 000 hectares, whereas there were only 5000 hectares of irrigated land in small-scale farming areas (Stoneman, 1981: 139). By 1994 there were 15000 dams in commercial farming districts irrigating nearly 400 000 hectares compared to only about 50 000 hectares in communal areas

75 Interview with Dr Kumbirai Kangai, Harare, 2003.
76 Interview with Denis Norman, Sussex, October 2004; Interview with John Laurie, Harare, February 2003.
77 For an interesting perspective on British Zimbabwe relations during this period see Chan (2003).
79 Copy of Lord Carrington’s address to the House of Lords (2002). In a question to Baroness Amos, Carrington asked if the funding assurances granted in 1980 could be directed towards compensating white farmers.
(Rukuni 1994). Structural adjustment benefited established white-controlled sectors and hit poor black sectors hardest. Eighty percent of officially marketed output was still produced by commercial farmers in 1994 and much of the fertile, better-situated and capitalised land was still owned by large-scale farmers. Figure 1.1 illustrates the proportional control of land in agro-ecological regions, and commercial farmers’ continued dominance in regions I and II.

**Figure 1.1 Proportional Land Ownerships for Natural Regions in 1994**

Widening disparities of wealth between the most visible white sectors and the majority of blacks fuelled the appeal and impatience of more vigorous economic empowerment, particularly among the black elite. The *Independent* described “a growing restlessness among the majority of people who still feel economically marginalized in their own land”.  

80 In 1994, the Affirmative Action Group (AAG) split from the IBDC, under the chairmanship of Philip Chiyangwa, a young relative of Mugabe’s.  

81 The AAG illustrated three features of affirmative action and the direction it was to follow: growing impatience, close ties to the ruling party, and its use to further personal agendas (Raftopolous and Moyo, 1995).

Also at the heart of the AAG was Roger Boka, who leapt to prominence as a champion of black empowerment. Boka’s demands for access to the gold, finance and tobacco sectors became symbolic of calls for wider ‘economic nationalism’, and attracted support from black business and broader society. The aggressive nature of Boka’s campaign moved quickly towards a sponsored smear-campaign against white sectors. In 1996 he had bragged, "I survive extremely

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81 Divergent interests within the indigenisation lobby were demonstrated by other splinter groups such as the Black Business Council (BBC). See “New Lobby Group Challenges AAG”, Zimbabwe Independent, April 4, 1997.
well in a very hostile [race] environment...but without the hostility, I am not in business”. On 31 March 1996, he published a full-page advertisement in several national newspapers, reproducing an old photograph of a black Kenyan carrying a white man across a swollen river. The caption read: “White Zimbabweans' idea of a ‘good African’,” adding: "We want our country Zimbabwe and our economy. No dogs or guns will stop the people's revolution”. CFU responded by accusing Roger Boka of “stirring racial hatred to his advantage” and council minutes note “rumours that the ZTA president’s life was threatened by Boka”. This was a very different format to the empowerment policies of the early 1990s. Boka’s approach was arrogant and ruthless, but it was popular, particularly within the ruling party, and he secured significant government support, symbolically and materially for his bold ventures into tobacco, banking and mining.

1.3.1 The Indigenous Commercial Farmer’s Union (ICFU)

As the momentum of black empowerment gathered pace so it turned attention directly towards white farming. By 1995 most black commercial farmers still felt marginalised within the CFU, which to all intents and purposes remained an ‘all-white old boys’ network’. The same social and representative barriers to black integration from the 1980s persisted. Keith Harvey explained to the CFU council that many black farmers felt socially awkward at country clubs, and were often ostracized by the cliques that formed at club bars after farmers meetings. By 1996 not a single black member had been elected to the CFU council. The Indigenous Commercial Farmers Union (ICFU), informally established in 1990, had initially been ignored and then denounced by government but re-emerged in 1995 with significant support. The new launch was organised by empowerment groups, with extensive coverage by the state media. ICFU membership initially drew from about 800 small-scale farmers, from former purchase areas, and from about 400 large-scale black commercial farmers (Moyo,1994: 4). Government’s stance towards the

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83 Minutes of the CFU Council Meeting, 27 March 1996.
85 Minutes of the CFU President’s Council Meeting, 25 September 1996.
86 Members of Parliament, including Minister Mangwende did not know who the ICFU were a year after their formation. Mangwende noted that the ICFU did not have government support as this countered attempts to amalgamate the farming unions. Hansard record of Parliamentary Debate, 19 March 1992.
87 Minutes of the CFU Council Meeting, 29 November 1995.
88 About 200 white members of the CFU also subsequently joined. CFU Minutes of the CFU President’s Council Meeting, 26 November 1997.
ICFU had shifted strategically. If CFU power could not be diluted through a single union, then an alternative strategy was to establish a parallel structure.\footnote{89}{The ZFU remained opposed to the ICFU on the grounds that it countered the merger objectives of 1993.}

Boka’s aggressive empowerment strategy was appealing and increasingly adopted by politicians. Vice President Muzenda, addressing members of the Save Conservancy in 1996, stated that “this form of land use will not succeed unless indigenous businessmen are brought in as partners”. He then gave the Wildlife Conservancies two weeks to come up with concrete suggestions.\footnote{90}{Minutes of the CFU Council Meeting, 28 February 1996: Masvingo Report: 12.} Boka’s foray into the banking sector enjoyed similar support from government, operating outside standard banking regulations with the blessing of the political elite.\footnote{91}{Interview with Dr David Hatendi, Harare, January 2003.} Unlike South African Black Economic Empowerment (BEE) charters there were no formalised guidelines, targets, incentives or controls in Zimbabwe’s format - just conveniently vague objectives. Indigenisation was officially aimed at expanding black shares in the economy, but as it radicalised, it became more about promoting ruling party interests and those of key members.

### 1.3.2 The Selectiveness of Empowerment

ZANU PF increasingly used the empowerment process to extend its patronage. Key individuals dominated the process and its organizational structure for personal enrichment and in return stayed close to the ruling party. Boka and Chiyangwa’s influence at ruling party congresses increased steadily, bolstered by other black businessmen.\footnote{92}{This group included Chris Pamire, James Makamba, and Elliot Manyika, successful and outspoken entrepreneurs. See Raftopolous and Moyo (1995).} It was a flexible process in which young black entrepreneurs were absorbed or persuaded into the ruling party in return for preferential business opportunities. Chiyangwa explained the nature of this arrangement: “I am rich because I belong to Zanu PF. If you want to be rich like me you must join the ruling party”.\footnote{93}{Pius Wakatama, “Why are Zanu PF leaders quiet?”, The Daily News, 5 June 2000.} Established members of the ruling party used their positions to secure contracts, licenses and access to other commercial opportunities. Within this process the opportunities for corruption increased. For example, Leo Mugabe, the President’s nephew, won a series of controversial tenders between 1994 and 1997, including a contract to build the Harare airport.\footnote{94}{“Zimbabwe Airport Furore”, Mail and Guardian, May 30, 1997.} The award of a Hwange power station contract to a Malaysian firm under controversial circumstances illustrated significant irregularities at high levels.
It was also an exclusionist system in which black entrepreneurs and businessmen, who were unwilling to tow the party line, met obstacles. Most prominently, Strive Masiyiwa, a dynamic telecommunications entrepreneur, battled for five years to obtain a licence to open a cell phone company.\(^95\) When a cartel of competitors, including Leo Mugabe, acquired a similar licence within months, the case became a focal point for protest against high-level corruption. It also sparked divisions within the party: Joshua Nkomo threatened to resign over the issue and Eddison Zvobgo was overtly supportive of Masiyiwa. Taylor (1999: 258) wrote that:

> Zimbabwe’s most ‘successful’ black business people are thus notable for their close ties to the state…and whose rise from ashes to riches is most suspicious…Since they are already co-opted into the state network they pose no political threat to the government…in fact they will likely be the heirs of the ZANU PF political machine.

The subsequent liquidation of Boka’s United Merchant Bank (UMB) in 1998 revealed further corruption at high levels.\(^96\) In return for preferential banking conditions, UMB had been used as a vehicle for extending loans to high-ranking party officials.\(^97\) Many outstanding debtors were members of the ZANU PF hierarchy, including Chiyangwa and, allegedly, Emmerson Mnangagwa.\(^98\) Corruption was seemingly overlooked providing it was within the party structure. This tainting image of the empowerment movement drew criticism from a wide array of civic groups, observers and commentators. Taylor (1999:260) argued that:

> ZANU PF’s principal tool for maintaining political power is the ideology of ‘indigenisation’ which is currently practiced in Zimbabwe as a neo-patrimonial game that rewards inefficiency and depresses productivity. Corruption becomes more likely in the absence of political and economic competition; ZANU’s monopoly on power allows it to act with virtual impunity.

Dwindling state revenues were countered with bolder policies. The National Social Security Authority (NSSA) tax was implemented as a pension scheme for the workforce in 1994, but was

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\(^96\) “Boka admits United Merchant Bank is on the brink of collapse”, *Business Day*, 29 April 1998. UMB’s collapse was estimated to have cost the tax payer Z$5 billion (US$ 300 million).


\(^98\) Ndamu Sandu, “Indigenous financial institutions under scrutiny”, *Zimbabwe Independent*, 15 October 2004. Investigations into the collapse of the bank were thwarted by the disappearance of records.
channelled to central treasury, whilst the 1996 Tobacco Levy was also channelled to central funds (See below).\textsuperscript{99} ZANU PF’s business interests expanded significantly during this period. Empowerment had become more about bolstering the ruling party’s financial resources, and those of its supporters, than about wider black empowerment.\textsuperscript{100} CFU records show that such issues were discussed at council level, and often in depth. While noting international concerns about budget discipline, governance transparency, land and corruption, they also discussed focused cases such the President’s wife “coming under fire for the misappropriation of USAID money for residential developments”.\textsuperscript{101} White farmers and many others increasingly attributed the mounting political and economic crisis to deteriorating governance. Diverging objectives over the direction of empowerment led to a breakdown in 1996 of the Zimbabwe Wealth Creation and Empowerment Council (ZWCEC), an official umbrella body.\textsuperscript{102} Ominously, this split within the empowerment alliance resulted in a radical AAG offensive led by Chiyangwa and Boka in alliance with Chenjerai Hunzvi of the War Veterans’ Association.

1.3.3 Empowerment, War Veterans and the State

1996 was a turbulent year for commercial farming, particularly the tobacco sector, and yet it delivered the highest economic growth of the 1990s. The politicization of the land issue during the election campaign and ZANU PF congress was highly visible and aggressive empowerment rhetoric dominated the media. However, behind the scenes other developments were taking place which must be contextualised briefly. A rigorous study of Zimbabwe’s spread of ‘top-down’ corruption has yet to be conducted, but is needed to improve understandings of the state before and after the war veterans scandal emerged in 1997.\textsuperscript{103}

A 1993 War Veterans Compensation Act included a War Victims Fund, aimed at disability compensation for ex-combatants. In 1996 this fund was systematically ‘looted’ within eight months as senior government officials and members of the ruling elite claimed extensive

\textsuperscript{100} For an illustration of ZANU PF’s business interests, see “Inside Zimbabwe Inc.” Focus 19, Helen Suzman Foundation, September 2000, at: http://www.hsf.org.za/focus19/focus19fig1.html.
\textsuperscript{101} Minutes of the CFU President’s Council Meeting, 27 November 1996.
\textsuperscript{102} Interview with Brian Latham, Editor of \textit{The Farmer}, September 2001. Also see: “Umbrella Body Formed for Empowerment”, \textit{Zimbabwe Independent}, 12 June 1996.
disabilities. Margaret Dongo, an Independent MP, ex-combatant and founder of the Zimbabwe National Liberation War Veterans Association (ZNLWVA) observed in Parliament:

There are so many cabinet members, civil servants, army officers and police officers who are claiming funds for serious disabilities that it is a wonder the government can function at all… Most of the real war veterans are living in abject poverty… this is Zimbabwe’s worst scandal.

The ZNLWVA subsequently assumed an anti-government stance, drowning out Mugabe’s speech at Heroes Acre in Harare and disrupting Heroes Day commemorations in Marondera, where they told Governor Karimanzira that “government will not be allowed to honour dead heroes whilst we the living heroes suffer”. The protests led to a demonstration outside State House where veterans threatened to return to war if demands for pensions and land were not met. Mugabe responded by promising that 1772 farms, which had apparently been identified, would be reallocated with priority to war veterans. In October, Vice-President Muzenda confirmed that ex-combatants would be the first beneficiaries of land.

Mugabe’s decision to award gratuity payments to war veterans was taken independently of parliament, and transformed the issue from a severe embarrassment to a useful alliance. He portrayed his stance as reasserting the ideals of the revolution and refusing to abandon his kith and kin. The unbudgeted payments comprised of a Z$50000 ‘one-off’ gratuity, and a monthly pension of Z$2 000 per veteran. About 50 000 people were finally approved for benefit. The initial bill to treasury was estimated at Z$ 2.5 billion (US$208 million) followed by monthly payouts of Z$ 100 million (US$ 8.3 million). The gratuity alone exceeded total expenditure on land since Independence. This pattern of events was even more remarkable in that Chenjerai Hunzvi (ZNLWVA Chairman) masterminded the disability scam. He was exposed by the 1997 Chidyausiku Commission, but only after he had brokered the gratuities. Rather than holding Hunzvi accountable, the war veterans threw support behind his promise to secure land.

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104 For example, Reward Marufu (Grace Mugabe’s brother) claimed more than 100 percent disability and was awarded Z$822,668 (US$75 000). Angus Shaw, “On the run, again”, The Observer, 9 April 2005.
109 Minutes of the CFU President’s Council Meeting, 28 October 1997.
110 These are calculated at a mid-1997 exchange rate of ZS12:US$1 (ICG, 2004: 57).
111 This is based on assumptions that Britain and GoZ each contributed about US$50 million (£35 million) to land reform by 1997 (Moyo 1998).
112 Mugabe appointed the Chidyausiku Commission to investigate the disbursement of ZS1.5 billion. It concluded that The War Victims Compensation Fund was looted due to the under-funded war veterans fund. See: “Zimbabwe War Fund Inquiry Starts”, Mail and Guardian, 18 August 1997.
This marked the emergence of a new set of actors in the political dynamic. The war veterans aligned with the empowerment lobby in its quest for key resources. Denis Norman argues that this was the pivotal and defining moment in the crisis.\(^{113}\) It coincided with the listing of the 1471 farms on 11 November, stimulating significant short term economic impacts. On 14 November 1997 the Zimbabwe dollar lost more than half its value. To meet the payouts, government hastily announced broad tax increases which were rejected in Parliament and led to violent street protests.\(^{114}\) At the 1997 ZANU PF congress, war veterans and empowerment leaders dominated proceedings. This consolidated their influence within the party and swung the balance of power away from the technocrats firmly towards the radical alliances. The following year, when Dr Kangai de-listed 500 farms from the main list, he was strongly criticized from within the party, particularly by Hunzvi.\(^{115}\) For ZANU PF, the war veterans were a valuable constituency, symbolically and strategically. This new found influence reshaped the politics of the land deadlock and accelerated the deteriorating relationship between farmers and the state.

### 1.4 THE COLLAPSE OF THE STATE-FARMER ALLIANCE

By the end of 1997 the ruling party, the government and the state had experienced profound changes, against which the commercial farmers were unable to adapt. CFU minutes in September 1997 note that “the PR situation is very difficult”, and that “farmers are the focus of a lot of bad press, particularly with respect to farm-worker conditions and the land issue”.\(^{116}\) The minutes note concern at wider political developments and the recent capitulation to the war veterans. A month later council concluded that commercial farmers were “under fire from all directions”, that their lobbying was ineffective and that their views were increasingly irrelevant to major decisions. In response members resolved to ‘internationalise’ the issue in the hope that external awareness would arbitrate the process.\(^{117}\) To explore the ‘cornered’ position in which the farmers now saw themselves it is appropriate to discuss the introduction of a levy on tobacco production.

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\(^{113}\) Interview with Denis Norman, Sussex, October 2004.


\(^{115}\) Interview with Kumbirai Kangai, Nyanga, March 2003; Interview with David Hasluck, Nyanga, March 2003.

\(^{116}\) Minutes of the CFU President’s Council Meeting, 25 September 1991.

\(^{117}\) Minutes of the CFU President’s Council Meeting, 29 October 1997.
1.4.2 The 1996 Tobacco Levy

In the 1990s tobacco was sold in nominal US dollar values but payments were made to farmers in Zimbabwe dollars, allowing government to extract revenues and control the sector through the exchange rate. Tobacco output and earnings increased throughout the 1990s (See Figure 1.2). The 1996 Tobacco levy illustrated two important issues: firstly, the irrelevance of farmer lobbying to agricultural policy and, secondly, that despite the levy, tobacco earnings and output continued to increase contrary to ZTA’s pessimistic predictions.

**Figure 1.2 Tobacco Earnings (US$) 1990 - 2000**

The 1996 Tobacco Levy was introduced by Treasury rather than the Ministry of Agriculture, following a politburo directive. ZTA called an emergency meeting, in much the same manner as CFU did in 1991, arguing that the tax should be levied at the buyers, away from the producer, and that five percent on income was excessive, especially for small farmers. The five percent tax was on gross turnover and not tax-deductible, so growers would be liable for income tax on the levy amount too. Part of their press statement reads:

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119 Apparently a levy on tobacco had been discussed within the politburo in 1992. Interview with Dr Kumbirai Kangai, Harare, December 2003.
120 Minutes of the CFU Council Meeting, 28 February 1996.
121 It is not clear why the tax was implemented directly rather than through the exchange rate. The ease of collection at the tobacco floors and the manner in which it could be concentrated directly on the tobacco sector rather than other exporters is another.
The ZTA and its growers are incensed at the imposition of the new five percent levy which (we) see as iniquitous and discriminatory… tax on exports is totally contrary to ESAP… (we have) moved from a nine percent export incentive to an eight percent export disincentive.\textsuperscript{122}

The ZTA’s response was reactive and defensive. Calls for a ‘tractor demonstration’ in Unity square were diffused by the CFU council, in more sober fashion, but other tobacco growers threatened to cut down on worker housing.\textsuperscript{123} The bill had notable precedents in 1949 and 1958, but whereas farmer opposition succeeded then, it failed now. Indeed, the ineffectualness of farmer opposition in 1996 was a stark realisation of how irrelevant farmers had become.

Denis Norman (Minister of Agriculture) was on holiday when treasury introduced the bill and it was ‘fast-tracked’ by Parliament within 21 days.\textsuperscript{124} \textit{The Farmer} had described the passage of the 1992 LAA as “rushed and hushed”, and now noted an “atmosphere of haste and secrecy surrounding the proposed tobacco levy”.\textsuperscript{125} Opposition was not exclusively white. The initial draft was blocked in parliament by Webster Shamu and Border Gezi, both MPs for small-scale tobacco growing areas. At the secondary hearing, five out of six ZANU PF MPs debated against it.\textsuperscript{126} The ZFU opposed the tax and Dr Kangai suggested that he would rather tax the buyers, which CFU argued would simply be passed down to the growers.

Despite concerted efforts, concerned ZTA officials were unable to meet Mugabe, in the same manner as Laurie’s restricted access after the 1985 election and Swire-Thompson’s after the 1993 ‘Paris Conference’ letter.\textsuperscript{127} The ZTA turned on Denis Norman, complaining that the levy had been passed despite his assurances of a compromise.\textsuperscript{128} In May government increased the levy to ten percent, split equally between the trade and the farmers. TRIBAC attempted to block it and failed, illustrating the surprisingly limited influence of the tobacco companies as well.\textsuperscript{129} Peter Richards (ZTA President) ruefully declared that “the imposition of the additional five percent …levied against the growers is nothing but petty spite coming from MPs who do not understand economic fundamentals”.\textsuperscript{130} In response Herbert Murerwa (Finance Minister) tried

\textsuperscript{122} \textit{The Farmer}, 14 March 1996: 16.  
\textsuperscript{124} Interview with Denis Norman, Sussex, October 2004; Minutes of the CFU Council Meeting, 27 March 1996.  
\textsuperscript{125} \textit{The Farmer}, 14 March 1996: 15.  
\textsuperscript{126} \textit{The Farmer}, 14 March 1996: 15-16. Only 12 MPs were present (well below quorum) and yet it was still passed.  
\textsuperscript{128} Minutes of the CFU Council Meeting, 27 March 1996.  
\textsuperscript{129} Minutes of the CFU President’s Council Meeting, 29 May 1996.  
\textsuperscript{130} \textit{The Farmer}, 6 June 1996: 11.
to backdate the levy to the beginning of the selling season. In June, the ZTA warned of the impacts of the levy in a series of public advertisements, which catapulted the issue into the empowerment debate. The AAG declared that the ZTA was “thwarting indigenization” and accused Denis Norman of racism and the tobacco merchants of double invoicing. The more ZTA lobbied traditional channels the less success it had and the further it found itself from the negotiating table. As the ZTA’s powerlessness sunk in so frustrations were directed inwards. Richard Tate (ZTA Vice President) again criticized Denis Norman’s ‘apathy’ over the matter. When Kangai advised the ZTA to stop opposing the levy, Tate again castigated Norman for inaction.

Early in 1997, Dr Kangai introduced a broader set of agricultural marketing levies, again as a result of ruling-party directives. Again, Denis Norman was on leave. Realising that the odds were firmly stacked against the farmers, Norman, on return, sought compromise rather than confrontation. He lobbied extensively throughout January and February for the agricultural marketing levies to be hypothecated back into a separate agriculture/land fund rather than central treasury, and claims that assurances were given. In May 1997 it was revealed that the agricultural levies were being channelled into the central tax account. $52 million (US$4 million) was raised between January and March, and CFU noted that “it was clear by now that high level decisions were being made and implemented completely independently of (the farmers)”.

CFU minutes note that “ZTA were still publicly undermining Denis Norman”, illustrating how oblivious the ZTA council were to Norman’s irrelevance within the process. Norman retired at the end of April 1997, claiming that he had pencilled the date in his diary when he accepted the appointment two years previously. In an interview with The Farmer, he stated “when the

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131 Based on the previous day’s average price of $2.96 per kg, farmers were paying 14 cents per kg whilst government was making 30 cents per kg. Minutes of the CFU President’s Council Meeting, 26 June 1996: ZTA.
133 Minutes of the CFU Council Meeting, 30 October 1996.
134 Minutes of the CFU President’s Council Meeting, 29 January 1997.
135 Minutes of the CFU President’s Council Meeting, 26 February 1997; Interview with Dr Kumbirai Kangai, Harare, December 2003. The previous year, Mnangagwa had declared that all crops would be levied by Christmas.
136 Interview with Denis Norman, Sussex, October 2004.
137 Interview with Denis Norman, Sussex, October 2004.
138 Minutes of the CFU President’s Council Meeting, 28 May 1997. This was apparently due to more pressing economic requirements. Interview with Dr Kumbirai Kangai, Harare, December 2003.
139 Minutes of the CFU President’s Council Meeting, 26 November 1997.
140 Minutes of the CFU President’s Council Meeting, 26 March 1997.
141 Interview with Denis Norman, Sussex, October 2004.
party’s all over it’s time to go home”, citing age as his main reason. Mugabe apparently tried to persuade him otherwise, arguing that “politicians never retire”. Three months previously, Norman had talked of ultimate job satisfaction in public service, without mentioning retirement. The previous year he stated that he would remain in the portfolio as long as he was asked to. He denied that political pressure was involved, but after a turbulent year, in which he was heavily criticized by the tobacco farmers and empowerment groups, and humiliatingly sidelined from major decision-making, the difficulties of his predicament were obvious.

The levies also created institutional splits. In January 1997, the ZTA supposedly relinquished all ‘land initiatives’ to the CFU. However the ZTA soon reverted to independent lobbying, and tried to hold a seminar with Parliament, who declined en masse. Swanepoel expressed concern that a ZTA land position paper had been leaked to government:

[Swanepoel] had always been under the impression this report was an in-house one… it had been agreed by ZTA and CFU that the CFU drove the land issue, and yet it had not had any input into the report under discussion.”

Richard Tate argued that government had asked for a copy of ZTA’s technical report on land and soils, and that “the report was not a recommendation, but rather a thought-process that farmers must go through in the same way as government”. Swanepoel then voiced concern at the antagonism between the CFU and the ZTA that had arisen in some farmers’ meetings, and felt that “during times of pressure there was a lot of responsibility to behave as leaders”. Yet the contentions and controversies over the tobacco levy and ZTA’s autonomy continued.

The tobacco levy also created structural divisions, particularly between owners and managers. Some farmers simply passed the tax onto their managers and workforces, by reducing bonuses. Other farmers cut down on social expenditure such as worker amenities. Manager’s bonuses

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143 Interview with Denis Norman, Sussex, October 2004.
146 The AAG had asked ZTA to attend a meeting, where Rob Webb delivered a paper entitled: “Indigenisation of the Tobacco Industry”. Minutes of the CFU President’s Council Meeting, 30 April 1997.
147 Minutes of the CFU President’s Council Meeting, 30 April 1997.
148 Minutes of the CFU President’s Council Meeting, 30 April 1997.
149 For example, at ZTA Congress in June, Rob Webb alluded to “being at war”. When asked to clarify his statement he claims that it was taken out of context and that he had meant being at war against the anti-smoking lobby. Minutes of the CFU President’s Council Meeting, 25 June 1997.
150 Minutes of the CFU Council Meeting, 27 March 1996.
in good years had often enabled them to raise enough collateral to farm independently, and had become an accepted part of the system. *The Farmer’s* letter page traced a public rift between some owners and managers.\(^{151}\) Farm owners accused the Blackfordby Tobacco Training Institute of inflating the self-perceived worth of graduates, and of distorting the concept of bonuses into rights rather than privileges. Managers argued that their bonus cuts did not stop the excessive spending of owners. One letter castigates a farmer’s wife for buying a new set of curtains every year, whilst another complains that a tobacco farmer cut his manager’s bonus after the levy and then purchased a new hot tub.\(^{152}\)

The agricultural levies were a divisive issue in a divisive period, and captured the cocktail of interests and strategies among different groups. The AAG launched an offensive against the white Minister of Agriculture, the tobacco merchants and the ZTA. ZTA was concurrently criticising Norman whilst trying to align with Roger Boka. The CFU was concerned at the ZTA’s independent lobbying and its own restructuring. But within this confusion, the agricultural levies illustrated three important points: firstly, the exclusion of commercial farmers from policy decisions, secondly, the shift towards new taxes on commercial farming, and thirdly, that the revenues were not being directed towards land reform or agriculture.

### 1.4.3 The Ineffectiveness of Farmer Initiatives

The political clout of white farmers waned during the 1990s. Farming leaders from this period are often accused of lacking the political acumen of their predecessors, but their challenges were greater and their room for diplomatic manoeuvres was more limited. Commercial farmers’ attitudes towards land redistribution were often portrayed as reactive. Moyo (1994: 7) argued that

> the white community itself has… not made concrete offers of land for redistribution, demonstrating a wait and see approach and defending their rights to hold large tracts of land… there has been little proactive action by the white landowners and their representative (CFU).

Whilst mounting scepticism towards the formal land program grew, many farmers were pragmatic enough to realise that promoting reform would protect their interests in the long run. Commercial farmers set up, supported and helped to run settlement schemes locally, such as the

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Percival farm scheme in Macheke, Wenimbi scheme near Marondera and the Angwa scheme in Makonde. A national level scheme was established through the Farm Development Trust. Initiated in 1992 by the ZTA, and formally opened in 1994, the FDT was run by a representative board, appointed from the agricultural industry and its unions, and reported directly to the Ministry of Lands and Agriculture. The trust established projects at Panorama farm in Centenary and Bratton Farm in Matepatepa. It then assumed administration of Percival and Lot 10 Wenimbi, where local farmers had been helping fourteen resettlement farmers. By the end of 1995 the FDT had expanded to about 300 hectares under tobacco on four projects, in which more than 150 farmers had benefited. The program was beginning to attract donor attention and funding, and its PR success was recognised when Mugabe officially toured the Centenary FDT projects in 1996 and commented favourably. By the end of 1997, six schemes were promoting nearly 250 black farmers. However, the scheme was far from self-funding, and in the context of the national land problem it was tiny. The financial expenditure illustrated the high costs of undertaking carefully managed and monitored resettlement, and raised fears about the costs of extensive resettlement. Alan Ravenscroft, a founder of the trust, remarked that:

the scheme had lots of positive aspects, but there is simply no way that it could be replicated on a national scale - the costs of this exercise showed how expensive a managed resettlement scheme was likely to be.

The FDT also suffered political interference initially. Gerry Grant reported that the settler selection for Panorama farm in Centenary had met with extreme resistance from local politicians, who wanted to run it themselves and it was only the presence of high profile board members that overcame these. Other farmer initiatives, including support for communal farmers with land preparation, inputs and management advice bolstered white farmer perceptions of their own pro-activity. However, these initiatives were not substitutes for land reform, and illustrated how irrelevant local relations could be at national level. Dr Robbie Mupawose suggested that the elements of farmer pro-activity were overshadowed by the negative elements, perceived and real, of social isolation, enduring racism and wealth. As the politicisation of land increased so farmer initiatives were treated more suspiciously.
1.4.4 The Deteriorating Institutional Effectiveness of the CFU

The weakening political effectiveness of the CFU and the ZTA created internal pressures. Initially these were due to the changing profile of the sector. The establishment of the Horticultural Producers Council (HPC) as a commodity board in 1990 reflected the growing significance of the fresh exports and horticultural sector. By 1995 the HPC was powerful enough to ask for autonomy from the CFU, prompting extensive council debate. Peter MacSporran advised against this in view of “the need for unity within the deteriorating political situation”. David Hasluck opposed the de-merger on the basis that the CFU had financed the HPC for five years and expected some loyalty.

In 1995 the recommendations of the Meikle Commission led to a restructuring of the CFU. Regional and Commodity councils were established with the idea of concentrating grass-roots and technical debate at Regional and Commodity levels, allowing more strategic decision-making within a smaller, but more powerful, President’s council. Functional limitations soon emerged and previous CFU leaders queried the wisdom and the effectiveness of the restructuring. There were also concerns among members. By the end of 1997 the ZFU had attracted 100 white members from the CFU, whilst about 200 had joined the ICFU. Matabeleland members had been unhappy with the CFU’s 1991 strategy and were equally unimpressed with the 1996 congress, arguing that council consistently placed the interests of Mashonaland first and that their representation was diminished within the new structure.

The CFU’s awkward relationship with the tobacco sector simmered throughout the 1990s. The ZTA was a more united, streamlined, and economically powerful body. However, the limitations of its power were exposed during the deliberations over the 1996 Tobacco Levy.

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160 The growth in horticultural exports took place in Mashonaland. Access to the international airport, was a prime factor but tobacco and other intensive cropping businesses were often better placed to finance and install horticultural production systems, through existing credit facilities and minimum business structural changes.

161 Minutes of the CFU Council Meeting, 29 November 1995.

162 Minutes of the CFU Council Meeting, 31 May 1995.

163 Interview with Denis Norman, Sussex, October 2004.

164 CFU President’s Council Meeting, 26 November 1997.

165 Minutes of the CFU President’s Council Meeting, 25 September 1996.

166 For example, in 1991, Ian Alcock (ZTA President) expressed concern at the criticism of the relationship between the CFU and the ZTA, which appeared to be confined to certain districts and certain individuals. Minutes of the CFU Council Meeting, 25 September 1991.

167 Minutes of the CFU President’s Council Meeting, 27 November 1996.
Later, in October 1999, CFU minutes note that ZTA had met Mugabe independently and that Richard Tate appeared to be pursuing his own land route. On 26 October 1999 Tim Henwood received a call from the President’s Office “accusing the CFU of no longer being supportive of government”. According to the informant, a ZTA employee had leaked CFU information to government. Denis Norman claims that he was deliberately set up by ZTA leaders during the agricultural levy campaign and that he had proven this through the use of private investigators.

In 1997, David Hasluck expressed the challenges of remaining institutionally united during times of uncertainty: “CFU is in a difficult position – As issues become more clouded it becomes increasingly arduous to see how to act in the best interests of the farmers as a whole.”

Other divisions between farmers emerged at grass roots. During the 1996 Presidential election campaign, some Centenary farmers donated maize to ZANU PF. This elicited favourable comments from the party towards the donors, but prompted harsh criticism against those farmers that did not contribute. The non-contributors then argued that the maize donors had placed them in an awkward position and community rifts ensued. In Shamva, the ‘water wars’ which had emerged in the early 1990s continued. The case study area, upstream, experienced similar resource battles. Towards the end of 1996 the President’s Council registered concern that CFU Councillors at local and district levels were undermining central council. Following the 1997 farm listings, attendees at a Glendale farmers meeting strongly criticised the CFU. The following month CFU Council cited Mashonaland Central as a “major problem”: individual farmers had tried to negotiate their way off the list through the Governor, Border Gezi, who was deleting and adding farms without Senior Minister Msika’s approval. Nick Swanepoel was furious with these farmers, arguing that it was prompting splits within the community; even a farmers’ association chairman was implicated. By 1998 *The Farmer* magazine was regularly criticizing internal CFU politics and in response the council turned on the “unconstructive

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168 Minutes of the CFU President’s Council Meeting, 27 October 1999.
169 Interview with Denis Norman, Sussex, October 2004.
170 Minutes of the CFU President’s Council Meeting, 29 January 1997.
171 Minutes of the CFU Council Meeting, 28 February 1996
172 These are recorded in the Minutes of the CFU President’s Council Meeting, 29 October 1997. Tug Morkel, an abrasive character from Shamva ostracised himself from the community through a range of controversial farming decisions including the flouting of water regulations. Discussions with Keith Butler, Harare, 2003.
173 John Sole, a large scale row cropper, was found to be extracting excessive water quantities, which when revealed, almost prompted legal proceedings. Personal correspondence with members of the Marodzi catchment water board.
174 Minutes of the CFU President’s Council Meeting, 27 November 1996.
175 Minutes of the CFU President’s Council Meeting, 26 November 1997.
criticism” of the editor.\textsuperscript{177} When Bob Swift was asked to resign from the CFU Presidency later in the year, council blamed \textit{The Farmer} for a breakdown of confidentiality.\textsuperscript{178}

Swift’s forced resignation after only four months in office illustrated how the pressures of the time infiltrated the CFU hierarchy. Following the 1998 Donor Conference, Swift travelled to Brazil with a governmental delegation to assess a market-based land reform program, and whilst absent an internal coup was mounted against him.\textsuperscript{179} At an extraordinary meeting on his return, David Hasluck, called for Swift to delegate the land issue to Nick Swanepoel, who had agreed to stay on as a land representative to use his rapport with the donors, members of government and the ruling party.\textsuperscript{180} Swift claims that Hasluck and a core group in council conspired against him.\textsuperscript{181} Hasluck claimed that Swift was regarded with suspicion within the ruling party and that he had “failed to do what his members had tasked him to do”.\textsuperscript{182} Swanepoel was asked to reinstate himself for the remainder of the year, and received a standing ovation when he agreed.\textsuperscript{183} Denis Norman was shocked at the manner in which the CFU had conducted the affair, observing that it demonstrated disunity and disloyalty.\textsuperscript{184}

\section*{1.4.5 The 1998 Donors Conference}

The breakdown of the 1998 Donors conference agreement is often cited by CFU representatives as evidence of ZANU PF’s insincerity. Populist pressures, funding conditions, and internal disagreements within government hamstrung the initiative before it started.\textsuperscript{185} An analysis of the conference and its aftermath illustrates the breakdown in communications between farmers and the state, and the ascendancy of the new and more radical alliances within the ruling party.

\begin{flushleft}
\textsuperscript{177} Minutes of the CFU President’s Council Meeting, 29 April 1998; Minutes of the CFU President’s Council Meeting, 27 May 1998.
\textsuperscript{178} David Hasluck claimed that the \textit{Sunday Mail}’s version of events was inaccurate. Jenny Swift subsequently responded in a letter to \textit{The Farmer} castigating the CFU. Minutes of the CFU President’s Council Meeting, 25 November 1998.
\textsuperscript{179} Grant and Swift visited Brazil with the World Bank land agency. Minutes of the CFU President’s Council Meeting, 28 October 1998 and 24 November 1998.
\textsuperscript{180} Minutes of the CFU President’s Council Extraordinary Meeting, 12 November 1998.
\textsuperscript{181} E-mail correspondence with Bob Swift, August 2005.
\textsuperscript{182} Interview with David Hasluck, Nyanga, March 2003.
\textsuperscript{183} Discussions with Geoff Day, CFU Financial controller, Harare, January 2005. There was a distinct reluctance among CFU respondents to discuss this matter in any detail.
\textsuperscript{184} Interview with Denis Norman, Sussex, October 2004.
\end{flushleft}
At the 1997 ZANU PF congress members accused farmers and donors of demanding excessive control over the land program. The IMF, WB, EU and other donors stated that they would only support legal, transparent and consultative land redistribution. Early in 1998, a joint initiative between CFU and government land technocrats formed ‘Team Zimbabwe’ to keep the donors and the government at the negotiating table. Together they drafted a paper entitled “Agriculture in Zimbabwe: Let’s Grow Together” with a land transfer proposal based on market reform (CFU, 1998). The CFU identified 78 farms available for immediate resettlement and a series of discussions followed. On 27 February 1998 an open seminar on land was held at the Meikles Hotel. Hasluck noted that since compulsory acquisition had been introduced in 1992, much less land had been acquired than ever before. He argued that the land act and funding shortages had stifled transfers, and that the market system still offered the best way forward.

CFU records suggest that Team Zimbabwe was dismissed by ZANU PF as a delaying tactic, but that the proposals had not been attacked by “important” ministers or MPs.

Swanepoel arranged to meet Nkomo and General Mujuru, with Kangai and Msika. This illustrated a more sophisticated lobbying strategy that took account of internal differences within the ruling party. Mugabe stated he would wait and see what the farmers and the donors could come up with. On 9 March, a closed meeting was held between government, CFU and the banking sector. At a press conference afterwards Minister Kangai declared that no land would be confiscated without adequate compensation and that redistributions would be transparent.

However, differences of opinion within government soon re-emerged. In May 1998, Dr Hungwe (Director of Lands) wanted to acquire the farms that had not been delisted. Dr Kangai opposed this as he did not want to disrupt the Donors Conference, but stressed to the CFU that the 78 farms offered should be purchased before the ZANU PF congress in December. He warned

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186 Minutes of the CFU President’s Council Meeting, 29 January 1998.
187 Dr Robbie Mupawose, Professor Madivamba Rukuni, Professor Sam Moyo and Greg Brackenridge (Chairman of the Bankers Association) played key roles in liaising between farmers and government and in mobilizing donors.
188 Minutes of the CFU President’s Council Meeting, 25 February 1998.
190 Minutes of the CFU President’s Council Meeting, 25 February 1998. Mr Orphanides noted that that since 1985 nearly 5 million hectares of land had been offered to government through the market system, but only a fraction purchased. At this time, Nicholas Van Hoogstraten was purchasing Lonrho landholdings, amounting to nearly 500000 ha, for less than USS5 million.
191 Minutes of the CFU President’s Council Meeting, 25 February 1998.
192 Minutes of the CFU President’s Council Meeting, 25 February 1998.
194 Minutes of the CFU President’s Council Meeting, 24 June 1998.
that there were “strong radical pressures within the party to ignore the donors and go it alone”.  
There was also pressure on the ground and farm invasions erupted in May 1998 (Moyo, 2000b).  
In Nyamandlovu, about 800 ‘squatters’ moved onto three properties. According to CFU minutes 
they were well organized. In June, several farms in Marondera were occupied. By 
September, Team Zimbabwe had identified 118 available farms, amounting to 113 000 hectares, 
mostly in Region II. Mugabe was apparently pleased and reassured Swanepoel that he wanted 
the land program carried out in a disciplined manner. 

He then reemphasized intentions to settle 110 000 families on five million hectares at an estimated cost of US$1.9 billion, most of which he expected to come from donors (ICG 2004: 61). The disparities in perceptions about how the program would proceed were stark. Nevertheless, key members of Team Zimbabwe were 
confident that funding would materialise and that the program would proceed.

Twenty donor countries were represented alongside the WB, UNDP, IMF and EU. Government 
sent moderate delegates - the technocrats and diplomats; and whilst debate within the conference 
was constructive, less than $US1 million of guaranteed funding materialised, most of which was 
from Zimbabwean financial institutions. The Farmer noted that larger donors promised 
support on condition of a “calm, orderly, fair and transparent program”. Unprecedented donor 
caution had recently been fuelled by the collapse of Boka’s Bank, government’s involvement in 
the war in the Congo, and the increasing lack of transparency in the land program.

1.4.6 The Inception Phase Framework Plan (IPFP)

Government signed a memorandum of understanding at the Donor conference, agreeing to an 
Inception Phase Framework Plan, in which the 118 available farms would be purchased, resettled 
and monitored. After the conference, Denis Norman met with Mugabe, who expressed support 

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195 Interview with Dr Kumbirai Kangai, Harare, December 2003. He explained that there were two clear divisions 
as to how to proceed. A moderate direction promoted by members of the ‘old guard’ and more technical members, 
and a second option, led by war veterans and some younger more aggressive elements within the party. He would 
not be drawn on naming individuals, and stressed that both groups were united in their quest for extensive reform. 


197 Minutes of the CFU President’s Council Meeting, 24 June 1998. 

198 Minutes of the CFU President’s Council Meeting, 30 September 1998. 

199 Interview with Dr Robbie Mupawose, Harare, January 2004; Interview with Professor Sam Moyo, Harare, 
February 2003; Interview with Nick Swanepoel, Chinoyi, January 2005. 


$US$5 billion of mining assets were transferred from the DRC state to private companies between 1999 and 2002. 
for the IPFP. However donor groups had apparently registered concerns about “increasing government covertness” over the issue. CFU sources warned that the politburo perceived the price of land to be too high and the IPFP too restrictive and too conditional. After the 1998 ZANU PF congress, compulsory acquisition notices were issued to 841 farms, violating the signed communiqué from the conference. The CFU noted that government had only settled four farms that year, despite purchasing 40 of the 118 that had been conceded. Against these figures they queried how government “could possibly justify [listing] 840?” Jerry Grant (CFU Deputy Director) explained to CFU council that there were two simultaneous agendas running concurrently within government: a moderate co-operative approach from the donor conference, and an irrational radical program driven by a volatile group with strong influence within the politburo. Although the CFU had previously identified the existence of two ‘camps’ within the ruling party this was the first formal acknowledgement of dominance by the radical group. Patrick Chinamasa, the Attorney General, had apparently advised cabinet to proceed with the mass designations or lose credibility with the war veterans, party members and the rural population, who were all expecting more fundamental reform. Hasluck felt that government seemed unaware of the enormity of the impact on investor confidence, on borrowing abilities and on practical farming operations. The CFU, on the other hand, were unaware of just how little most members of government cared about this by now. Shortly after the donor conference, Joseph Msika told the CFU that government wanted to defer compensation for land as there were more pressing issues such as financing the military in the Congo, and paying out the war veterans. Mugabe then declared: “we’ve decoded that the process of price negotiation can take place after the people have been settled.”

Communications between the CFU and the government deteriorated publicly. At a joint press conference with Olivia Muchena (Deputy Minister of Agriculture) Swanepoel and Hasluck expressed surprise at the mass listing of farms in contravention of the IPFP. Muchena was unable to offer an explanation and later accused Hasluck and Swanepoel of embarrassing her in front of the cameras. Hasluck claimed that “donors were furious at the new government angle”

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202 Minutes of the CFU President’s Council Meeting, 28 October 1998. Also confirmed in an Interview with Denis Norman, Sussex, October 2004
203 Minutes of the CFU President’s Council Meeting, 28 October 1998.
204 Minutes of the CFU President’s Council Extraordinary Meeting, 12 November 1998. Dr Kangai confirmed that influential members of the politburo (he did not state names) were opposed to the conditions of the IPFP from the start. Interview with Dr Kumbirai Kangai, Harare, December 2003.
205 The communiqué noted that the 845 outstanding listings from November 1997 would fall away with the IPFP.
206 Minutes of the CFU President’s Council Meeting, 24 November 1998.
207 Minutes of the CFU President’s Council Meeting, 28 October 1998: Confidential Addendum
208 Minutes of the CFU President’s Council Meeting, 28 October 1998: Confidential Addendum
and that the head of the World Bank mission to Zimbabwe was “horrified by the change of direction.”

He also claimed that Government now realised that donor support had closed unless there was formal return to the IPFP agenda.

Government was obviously still concerned about donor opinion as there was a concerted effort to reengage. Muchena publicly reaffirmed that it was government’s intention to stick to the IPFP. General Zvinavashe, the Head of the Defence Forces, issued a statement calling for the principles of the donor conference to be followed and for compensation to be paid to the farmers. In February both Vice President Msika and Dr Kangai told press conferences that the program would remain transparent. However, immediately afterwards, Mugabe accused Britain of treachery, stating that he refused to pay for the land and that government bonds would be issued for improvements. Divided opinions between compromising camps in government and radical alliances within ZANU PF explain these oscillations between conciliation and confrontation, although both groups had vested interests in seeing donor funds materialise. These contradictions kept the donors engaged, but off-guard, and increasingly cynical. Only the World Bank and IFAD had prepared program reports by 1999. DFID recommended donor reconsiderations, stressing the potentially high cost of inaction. World Bank representatives reached a similar conclusion: “the risks of doing nothing exceed those of a failed attempt” (ICG, 2004).

Swanepoel stressed the need for the CFU to remain apolitical and observed that as the government grew less consultative, the stances of the donors and the CFU were converging, and that the government was isolating itself. Early in January, Swanepoel met Silas Hungwe and Emmerson Zhou from the ZFU, to lobby support for the IPFP and to push government to acquire the remainder of the 118 available farms by April. Government’s first draft of the IPFP insisted on a target of 5 million hectares. The costs of the inception phase framework budget were estimated at about Z$167million (US $ 10m) and technical support at about Z$40 million (US$2million). In May, the World Bank agreed to release a US$5 million learning and innovation loan, with a further US$5 million on completion of the initial phase. By the end of

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210 Minutes of the CFU President’s Council Meeting, 25 November 1998.
211 Interview with David Hasluck, Nyanga, March 2003.
212 Minutes of the CFU President’s Council Meeting, 24 November 1998.
213 Minutes of the CFU President’s Council Meeting, 24 February 1999.
214 E-mail correspondence with Martin Adams, October 2005.
215 Minutes of the CFU President’s Council Meeting, 24 November 1998.
216 Minutes of the CFU President’s Council Meeting, 27 January 1999.
May about 40 of the remaining farms, measuring nearly 50,000 hectares, were bought at a cost of about US $2.5 million, at prices that the owners were satisfied with.\textsuperscript{218}

Whilst government’s delays in producing the IPFP blueprint were due to disagreements about its scale and direction, funding and implementation delays were influenced by other factors. In early 1999, the IMF registered concern about Zimbabwe’s involvement in the DRC, and the lack of commitment to macro-financial discipline.\textsuperscript{219} In February and again in July, Herbert Murerwa, the Minister of Finance, tried to reassure the IMF:

> the government publicly reaffirm(s) its intention to pursue the land reform strategy set out at the donors' conference in September 1998. The two-year inception phase of this strategy was endorsed by cabinet in April. The strategy will involve fully transparent procedures governing the acquisition and redistribution of land, the payment of fair compensation for land acquired, and immediate commencement of the inception phase that will focus on the resettlement of uncontested farms... Implementation of land reform will be undertaken in close consultation with stakeholders and beneficiaries.\textsuperscript{220}

The letter also claimed that the costs of the war in the DRC were about US$1 million per month. It worked: in August the IMF released a $193 million loan (ICG, 2004: 67). Michael Nowak, the assistant director for Africa, said that “land was ‘no longer an issue’…and that… Mugabe’s rhetoric did not worry the fund, which preferred to judge ‘what is happening on the ground’.” No mention was made of the DRC, despite a leaked government memo suggesting that real costs were closer to US$1 million per day and that US$166 million had been spent in the Congo in the previous six months, roughly the same amount that had been spent on land purchases since 1980. The \textit{Financial Times} issued a scathing response, arguing that Mugabe had:

> received a bail out he does not deserve, on terms he is unlikely to implement, offered by lenders who ought to know better. It does a disservice to Zimbabwe and makes the Fund look foolish. \textsuperscript{221}

\textsuperscript{218} See ICG (2004: 67). This works out at an average price of US$50 per hectare, which is similar in real terms to the average price of land purchased during the 1980s. A University of Wisconsin project illustrated that the land market was transferring more land per year to black farmers on the open market (Rugube et al, 2003).

\textsuperscript{219} Minutes of the CFU President’s Council Meeting, 27 May 1999.


\textsuperscript{221} \textit{The Financial Times}, 6 August 1999. Also quoted in ICG (2004: 67).
The FAO and UNDP funded a workshop which led to a Ministry of Lands and Agriculture draft National Land Policy Paper, that again recommended land taxes and subdivision, transparency and consultation. It was the same territory that had been explored at every conference and workshop since 1995. The ICG report (2004: 68) claims that the “technocrats were sidelined by the radical elements” but this had happened much earlier as illustrated in the ZANU PF congresses of 1996 and 1997. By 1999 the technocrats, the donors and the farmers were all on the same side but it was too late. No one was prepared to inject funds into the deteriorating political mix, and the longer the deadlock ensued the more the political situation deteriorated. Towards the end of 1999, David Hasluck and Nick Swanepoel attended the opening of the ZANU PF party congress and reported heated debate noting that “the leadership was castigated by war veterans and younger businessmen party members”. Hasluck and Swanepoel were then asked to leave.222 The CFU had been aware of these ‘two camps’ within the ruling party for years, and noted the growing power of the radical alliance, but underestimated the significance of it, convinced that ‘sanity’ would prevail. In January 2000, DFID announced that it was planning to allocate U.S. $8.2 million for resettlement projects through a Civil Society Challenge Fund.223 Stan Mudenge (Foreign Minister) later argued that this illustrated how the British government was trying to force Mugabe to hold elections without letting him have the funds to fulfil his promises on land, thus undermining his popular support.224 While DFID’s funding delays made little difference materially, Britain’s stance was undoubtedly linked to the broader political contest, which, by now, was dominating the strategies of most interest groups.

1.4.7 White Farmer Mobilisation and the Constitutional Referendum

CFU records from February 1998 record growing frustration among farmers over political uncertainties and the stalemate over land.225 Although the CFU tried to depoliticize its congress, members were increasingly tempted to mobilise against government, even within Council.226 In November the CFU noted that despite the obviousness of the crisis “the bankers and business community in Harare [were] doing absolutely nothing”.227 But while urban capital remained aloof, farmer disgruntlement joined popular discontent among ordinary Zimbabweans.

222 Minutes of the CFU President’s Council Meeting, 26 January 2000.
223 Briefing: Land resettlement in Zimbabwe http://www.oxfam.org.uk/landrights/ZimDFIDbrief.rtf
224 Simon Barber, quoting Zimbabwe’s Foreign Minister Stanley Mudenge’s address to an OAU meeting in Abuja on 9 May, reported in Business Day, 26 May 2000.
225 Minutes of the CFU President’s Council Meeting, 25 February 1998.
226 Minutes of the CFU President’s Council Meeting, 27 May 1999.
227 Minutes of the CFU President’s Council Meeting, 24 November 1998.
By 1999, farming members felt that the CFU “was not being proactive enough and should engage with the international community, the black middle classes and the ZCTU after the recent strikes”.\textsuperscript{228} White political remobilization was a response to deliberate exclusion and direct threats to their interests and security. The economic crisis was spiralling out of control, as illustrated in Fig 1.3, and for many members of the white community the time to press for an alternative government was overdue.

![Broad Indicators of Economic Performance 1985 - 2000](chart.png)


The drafting of a new national constitution began through an alliance of civil society and church groups formally organised under an umbrella National Constitutional Assembly (NCA).\textsuperscript{229} Government responded by appointing a National Constitutional Commission (NCC) whose drafting of a new constitution began consultatively enough. The draft constitution became a focal point for political contest as the NCA shifted its role to critique the NCC’s draft. This increased political awareness and activity nationally. For commercial farmers the constitutional review began inclusively. Nick Swanepoel (CFU) and Richard Tate (ZTA) were both appointed commissioners for the NCC and the CFU was asked to submit suggestions. CFU minutes note that key issues under consideration included: governance, accountability, the Bill of rights clause and its influence on land, and judicial independence.\textsuperscript{230} By October, CFU minutes note that the government and party drafts were quite pragmatic, but that two controversial clauses, relating to Mugabe’s extended powers and compulsory land acquisition without compensation “raised much concern… were self-defeating in many respects, and were likely to scare away donors”.\textsuperscript{231}

\textsuperscript{228} Minutes of the CFU President’s Council Meeting, 24 November 1998.
\textsuperscript{229} For a detailed analysis of the constitutional process see Rich Dorman (2002).
\textsuperscript{230} Minutes of the CFU President’s Council Meeting, 29 September 1999.
\textsuperscript{231} Minutes of the CFU President’s Council Meeting, 27 October 1999.
Commissioners were not consulted on amendments to the draft which retained the controversial clauses over property rights and presidential powers. By the end of January the amended draft was being discussed extensively in CFU council. Mugabe’s calls for Britain to assume full responsibility for land compensation prompted council to note that “Government were now refuting the donor conference agreements” and the CFU “feared that if the referendum was agreed, the donors would run”. CFU issued a press statement rejecting the land clause without mentioning the presidential powers clause. However, at grassroots level most farmers were just as concerned about the governance clauses as they were by the compulsory acquisition clause. The ICG (2004: 69) noted that:

> the official constitutional commission was ultimately reduced to something of a farce. After the 400 person commission had deliberated for months, the drafting committee of senior ZANU PF officials rushed a version to Mugabe that omitted many of the key clauses at the last minute, including one calling for Mugabe to resign by April 2000.

The controversial clauses of the proposed constitution threatened to disenfranchise farmers, whilst the NCA and the newly formed Movement for Democratic Change (MDC) provided an alternative. Most farmers, across their divisions were highly cynical about the motives of these two clauses, adding to their concerns about the economic crisis, and mounting corruption. Whilst the NCA mobilised effectively in urban areas, farmers began to mobilize through local exercises, by urging farm-workers to reject the constitution, and by printing t-shirts and leaflets calling for a ‘NO’ vote. This unprecedented opposition from an unlikely array of groups amalgamated into a groundswell of anti-government sentiment. The draft constitution was rejected by 55 percent to 44 percent. CFU minutes note that that the result was “generally positive…that Mugabe had been called to resign from within the party… [and that] there are concerns at youth group movements”. The CFU Council, along with most farmers remained unaware of the real political ramifications.

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232 Minutes of the CFU President’s Council Meeting, 26 January 2000.
233 Interview with David Coltart (MDC), Bulawayo, September 2001.
234 In the case study area key farmers, farm managers and farm foremen led the campaign for a ‘NO’ vote through discussion groups which concentrated on wider governance issues such as corruption and Mugabe’s extended powers, rather than the land clause. These initiatives were well organised and effective and often based around football matches and ‘VOTE NO’ t-shirt distributions. In 1979, the RNFU and the RTA mobilized resources for the settlement referendum which gained an 85 percent approval. See Chapter Two.
235 Minutes of the CFU President’s Council Meeting, 23 February 2000.
1.5 CONCLUSION

Against Zimbabwe’s post-2000 upheavals it is easy to forget that the preceding period experienced profound changes. This paper has traced the deterioration of relations between white farmers and the state during the mid to late-1990s and explored the stagnation in land redistribution. Rather than speeding up land transfers, the increased politicisation and racialisation of the land question by the ruling party became a central feature of the deadlock. It isolated white farmers and donors, and the more pragmatic and consensus-seeking elements of the ruling party and state bureaucracy.

Distinctions between the ruling party and the state became less clear during this period as alliances formed between an aggressive black empowerment lobby, the war veterans, and proponents of radical land reform within government. The perception by this alliance that ‘white farmers’ were resisting land redistribution brought an impatience and intolerance to the negotiations, which overwhelmed the diminishing influence and cohesion of ‘moderate’ groups. Although diplomatic government front men remained at the negotiating table, the real debate was taking place within the confines of the politburo. Government’s continued straddling of several positions on land evolved into an erratic and exclusionary approach to the reform agenda. Questions of land were absorbed into the confines of the party and the politburo, excluding farmers and donors alike. This prompted defensive farmer stances and donor reluctance and became a compounding process that fed on itself. Fundamental disagreements between market-based reform and compulsory acquisition remained throughout, precluding chances of compromise. There was surprisingly little insight by farmers and donors into the changing nature of the ruling party and the state during this period. Both the CFU and the British government underestimated the seriousness and significance of these political reconfigurations, and both groups overestimated their own influence over the agenda.

The exclusion of farmers from policy-making was evident in other areas such as agricultural levies. From being heavily subsidised during the 1980s, commercial farming was increasingly taxed. The isolation of farmers, within this environment of uncertainty, affected attempts to implement their own coherent strategies, as well as defend their interests. Their strategies were increasingly reactive and disunited. Farmers’ land initiatives such as the FDT were insignificant and not a substitute for land reform. Deteriorating communications and political and social pressures induced splits within the farming institutions, between the ZTA and the CFU, and within the CFU. Institutional leaders and structures struggled to retain unity and loyalty against
these planes of division, particularly as the profile of the commercial farming structure had
become dramatically differentiated through vertical integration and export-oriented land uses.

Ultimately, the mounting political and economic crises and the controversial clauses of the
government’s draft constitution became a focus of opposition unity among farmers and other
sectors of Zimbabwean society. As in previous eras, farmer divisions were overwhelmed by
such core issues. Deteriorating macro-economic governance, increasing authoritarianism, and
mounting corruption became focal points for criticism of the Mugabe regime. By 2000 the
majority of farmers either openly or quietly used the constitutional referendum to call for
political change. Much of the organizational and financial clout of white farmers was turned
actively against the ruling party at local level. For ZANU PF, ‘white farmers’ had evolved from
a convenient ally into a real political threat.

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