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Zimbabwe: Resetting the Economy to Prioritize the People

Around the world, millions of people are starving due to a lack of resources, but in Zimbabwe, citizens are starving due to the government's inability to manage the abundance of natural resources they already have. The very biosphere we inhabit is a fragile mosaic of ecosystems, communities, and resources that are available to the general population, but if these assets are not properly regulated, people will suffer; failing to recognize these truths was Zimbabwe's first fallacy. What was once known as the "breadbasket of Africa" has now transformed into a nation where bread is a luxury (Hobbes, 2014). Zimbabwe has run out of options, and without drastic reform, the country will not survive.

Zimbabwe, once known as Rhodesia and Southern Rhodesia is a landlocked country in Southern Africa populated by the Shona people with a culture of diversity and respect (*Zimbabwean Culture*, n.d.). It is home to both rural and urban cultures, although rural communities house over 67% of the population (Trading Economics, n.d.). These larger communities are made up of many small villages with about 100 inhabitants each in houses made of brick, mud, and sticks, while the remainder of Zimbabweans generally reside in brick urban housing complexes which average about 4.2 individuals per dwelling (Nations Encyclopedia, n.d.). These population subsets are widely inconsistent in culture as the urban population continues to exercise Shona traditional customs and beliefs while the rural populations have a greater focus on Christianity and economic prosperity (*Zimbabwean Culture*, n.d.). One commonality between all modern Zimbabweans though is poverty, food insecurity, and frustration.

With an average winter low of 45°F and summer high of 90°F (Country Reports, n.d.), Zimbabwe has a paradigm of ideally moderate temperatures year-round, leading the population such that "agriculture is the mainstay of the economy for over 70 percent" of Zimbabweans (*Culture of Zimbabwe*, n.d.). Being that Zimbabwe uses about 33.3 million hectares of land for agricultural purposes (Food and Agriculture Organization of The United Nations, 2003), it is clear that they have natural resources to feed the population. A typical diet of meat, bread, milk, maize, millet, sorghum, fruits, and vegetables (*Culture of Zimbabwe*, n.d.) is expected of such a society and generally unconcerned; however, it is severe governance and policy issues that have caused extensive poverty such that the average living wage is \$305 USD a month (Trading Economics, n.d.) while the average cost of living for a single person excluding rent is about \$690 USD (*Cost of Living in Harare*, n.d.). The nation has also suffered a shift in agricultural management since its prime as farms have been seized from their rightful owners and returning to agriculture has become more financially detrimental than profitable.

Zimbabwe's story began in 1979 after gaining independence from the United Kingdom in the Rhodesian Bush War (*Rhodesian Bush War - New World Encyclopedia*, n.d.), emerging as two-party parliamentary democracy (Global Edge, n.d.). In 1980, Robert Mugabe was the first elected prime minister of the newly-independent Republic of Zimbabwe and transformed the two-party system into a one-party system, becoming the president in 1987 without opposition (The Editors of Encyclopaedia Britannica, n.d.-b). The country rose to international attention very quickly as an African success story. An article published in *The Guardian* in 2000 praises Zimbabwe for having "the highest" literacy rate on the continent, "excellent" race relations, a "vibrant" civil society, "powerful trade unions," and a "thriving independent press" (*Zimbabwe | South African History*, 2020); however, it was even before this, in 1997, when preliminary factors affecting the downfall of the economy began to emerge.

Until this point, Mugabe had a stronghold on the support of Zimbabweans, but when met with opposition by a general upset of the nation due to increased market prices and a demand for increased compensation by the war veterans, he sided on meeting the approval of the people (*Zimbabwe | South African History, 2020*). Mugabe subsequently led the government to print more money in an attempt to appease the people, and by 1999, Zimbabwe began to accumulate debt over an inability to afford loans from the International Monetary Fund (IMF) and the World Food Bank (*Zimbabwe | South African History, 2020*). In 2000, Mugabe's government began what has become known as "The Third Chimurenga" (Pindula, 2020), consisting of the siege of 3000 white-owned farms (*Zimbabwe | South African History, 2020*), that were resettled to small scale agriculturalists (Hammond & Tupy, 2021). The negative agricultural and economic implications of these requisitions were extreme as many of these farms were entrusted to those who "had no real knowledge of commercial agriculture" and "soon returned to subsistence farming," leaving "much of the country's arable land now uncultivated" (Hammond & Tupy, 2021) and economy unpopulated. As a result, there was an immediate food shortage for the population, who depended on the agricultural industry, and this was exacerbated by worsening climate conditions causing an extended drought that decreased crop yields throughout the 2000s (Petroff, 2017).

This cascade of economic decline continued while poverty and food insecurity followed. In response, the Zimbabwe government and the central bank resorted again to printing more money in an attempt to finance imports (Petroff, 2017). The result was rampant hyperinflation whereas prices were doubling every 24 hours, and by November 2008, "Zimbabwe's annual inflation rate was 89.7 Sextillion (10^{21}) percent," making it the second most severe case of hyperinflation ever recorded (*Zimbabwe, 2016*). At this point, the value of the Zimbabwean currency became effectively unusable as "a hundred trillion dollar note would not even cover a bus fare" (Frisby, 2018). This period of Zimbabwe's history is often referred to as a de-industrialization as the once flourishing country was now plagued with acute food shortages meaning "80% of households in the country survived on less than US\$2 per day" (Tawodzera, 2014). Due to an inability to afford food and other necessary goods within the country, citizens resorted to trading with neighboring countries on the black market (Hobbes, 2014). Because of this, the use of the Zimbabwean dollar became both detrimental to the economy, as well as rare in the city, and in 2009 the country abandoned the currency altogether "leaving transactions to be conducted in U.S. dollars, South African rand, and seven other currencies" (Petroff, 2017). This ultimately caused a severe lack of liquidity in the economy, as more money was leaving the country than was coming in (BBC News, 2019; Mavhunga, 2016; Nyakanyanga, 2019). To address this, and the greater economic problems, Mugabe's government introduced U.S. bond notes and coins to the currency in 2016 (BBC News, 2019; Mavhunga, 2016; Nyakanyanga, 2019). These bond notes were intended to be equivalent in value to the U.S. dollar, but due to a lack of faith in their leadership, Zimbabweans were too apprehensive to use them and causing them to lose significant value on the black market (BBC News, 2019; Mavhunga, 2016; Nyakanyanga, 2019). In 2017, after a military coup called on the former President Robert Mugabe to resign or be impeached, former vice president Emmerson D. Mnangagwa took office, and he was set to reintroduce the Zimbabwe currency. In 2019, Mnangagwa introduced the "Real Time Gross Settlement" Dollar, or RTGS for short, as the country's new sole currency and banned the use of any other (Staff, 2019). However, inflation rates soared after this decision with 225% inflation in 2019 and 622% in 2020 (Statista, 2021). On top of this, droughts within the country have continued to worsen throughout the years leading to decreasing in crop yields and increasing food insecurity (Dongozi, 2020).

After many years and many failed attempts to repair Zimbabwe's shattered finances, it is clear that large-scale reparations need to be made to restore the economy and the agricultural sector to end the country's starvation. Such restoration should focus on restarting the economy, advancing agricultural growth, increasing access to jobs, and decreasing the general level of poverty. If implemented correctly, this would dramatically decrease Zimbabwe's food insecurity for the long and short term future. This solution would take place over a period of 4 stages:

1. Replacement of RTGS Currency with Gold Standard

2. Circulation of New Currency
3. Subsidization of Agriculture
4. Implementation of Adaptive Farming Techniques

The first stage requires Zimbabwe to replace its currency, RGTS, with a new currency (ZWL), which is set to an appropriate rate of the gold standard. This economic strategy, which was first utilized by the United Kingdom in 1821, and later adopted by a plethora of global superpowers such as Germany, France, and the United States until the late 1900s, is a “monetary system in which the standard unit of currency is a fixed quantity of gold” (The Editors of Encyclopaedia Britannica, n.d.-a). In recent years, Zimbabwe has seen a “new wave in mining activity” and gold has become the country’s largest currency trade (*Zimbabwe’s New Gold Rush*, 2020), meaning this strategy will bring a vital consistency back to the nation’s economy by preventing inflation and introducing a tangible value to the currency (The Editors of Encyclopaedia Britannica, n.d.-a).

The second stage will bring ZWL into circulation. This process will begin through a buyback of former currencies, virtual and physical, to be exchanged through national banks. The government must also begin compensating all workers with the new ZWL and mandates regulating wages of independent industries and establishments to be paid with the new currency should also be implemented on a rolling basis to ease the transition.

The third stage will begin the subsidization of Zimbabwe’s agricultural sector. Since agriculture has long been the mainstay of Zimbabwe’s economy (*Zimbabwean Culture*, n.d.), it is imperative that such an industry is prioritized in order to reform the national economy and lift residents out of poverty and subsequent food insecurity. The country has already taken some measures to improve the agricultural sector such as returning property to and providing compensation for white farm owners whose land was previously taken by the government (BBC News, 2020). However, in order for Zimbabwe to lift its socioeconomic status, agriculture needs to become a true priority, and financially backing the industry will achieve this. This agenda could be funded through a loan from the IMF, who is likely to approve such a request based on their past interactions with Zimbabwe, and the promise of national prosperity that will inevitably arise following the implementation of this method (*IMF Lending*, n.d.).

The fourth and most vital stage entails increasing education on sustainable and adaptive farming techniques for Zimbabwe’s changing climate. Since droughts pose relatively new issues for Zimbabwe agriculturalists (Dongozi, 2020), many do not yet have practical knowledge or experience dealing with limited water conditions on their farms; however, this could be resolved through the implementation of sustainable farming techniques. Such practices could include conserving rainwater through the use of rain catchment systems (*How Rain Catchment Systems Works*, n.d.), sand dams (*How Sand Dams Work*, n.d.), and rain gauges as well as improved irrigation techniques such as morning watering (*Efficient Irrigation | Water Saving Irrigation Methods*, 2018). This, coupled with educating Zimbabwean agriculturalists on drought-tolerant crops, will dramatically increase agricultural productivity in the country.

For two decades, the Zimbabwean government has taken chances on its country, attempting to repair complex issues with effortless solutions, while their own people continue to starve. Now, more than ever, it is essential that they choose to take these actions and rebuild their country. It will not be *easy*, in the same way, that it is not *easy* to preserve the land beneath one’s self, but neither is the unnecessary agony and starvation they have caused. They have always had the resources, the climate, and the ability to prioritize their people, it is now that they must appreciate these privileges and implement this program to do so. Today, 11.5 million people question whether they will be able to put dinner on their tables, but tomorrow's fate is in the hands of the Zimbabwean government.

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