

Breakfree



The Zimbabwe Coalition on Debt and Development monthly Newsletter
Investing in people for social and economic justice in Zimbabwe

May, 2007

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The Wolfowitz act:

The World Bank Boss struck by Cupid's arrow pays girlfriend hefty salary withholds funds from impoverished countries.

Media reports allege that when Paul Wolfowitz was made President of the World Bank in 2005 he dictated the terms of his girlfriend, the senior Communications Officer at the Bank, Shaha Riza's terms of reassignment: The terms stated that Riza would be transferred to an "outside institution of her choosing"; she would be given a promotion; she would receive an immediate salary increase of almost \$50,000 and annual 8 percent increases thereafter; and she would be promoted again upon her return to the bank at the end of Wolfowitz's term. Subsequently Riza, got the promotion and pay rise when she was seconded to the US State Department from the World Bank 'to avoid conflict of interest'.

Watch this space!

Editorial

Dear Reader

The Wolfowitz saga has caused furore in international circles with many interest groups calling on the World Bank to dismiss him for corruptibly paying his girlfriend, Shaha Riza, a hefty compensation pay in 2005. The controversy that costed Paul Wolfowitz's his job as President of the Bank has only been reduced to a mere case of 'flouting procedure' However, it is public knowledge that accountability and transparency have never been the practise at the Breton Woods Institution. The 'Wolfowitz act' is just but a tip of an iceberg of the gross irresponsibility that characterises the dealings of the World Bank in so far as Developing Countries are concerned. The disbursement of grants by the World Bank to developing countries on conditions of market liberalisation and privatisation is fraudulent to say the least. The G8 who are chief financiers of the Bank have made multiple false promises on dealing with the HIV/AIDS pandemic in poor countries and the pandemic continues to wreck havoc. Zimbabweans living with HIV/AIDS can not let this go unchecked. As Zimbabwe purports to 'look East', the influence of the International Financial Institutions takes its toll in many ways. As we promised, this issue will look deeper into the Reserve Bank of Zimbabwe's April interim Monetary Policy statement to see how far Zimbabwe has become 'a market economy'.

Read on...

Editor

In this issue...

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Zimbabwe Debt Statistics

Gross Domestic Product **US\$5.9 billion** (Dec 2006)

External Debt **US\$4, 2 billion** (Dec 2006)

Arrears & Interests **US\$2,5billion** (Dec 2006)

Domestic debt **\$2 trillion** (May 2007)

Annual Inflation rate **3 713, 9%** (April 2007)

Food Basket for a family of 6 **Z\$ 2,600 000** (April 2007)

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ZIM Commemorates Global AIDS Week of Action, Draws Peoples Charter



Pastor Maxwell Kapachawo & Voice Moyo

Over 500 people living with HIV/AIDS converged at the Chitungwiza Town Centre near Harare and drew up a Zimbabwe Peoples' Charter on HIV/AIDS as they observed the Global AIDS Week of Action (GAWA). The week (20-26 May) is commemorated by HIV/AIDS campaigners annually since 2005 to deliberate on perspectives and priorities of people living with HIV/AIDS in countries across the globe; demand a stronger response, greater accountability and more resources in the fight against HIV/AIDS. The 2005 event was a landmark mobilisation platform before world leaders reported back to the United Nations on the progress they had made to meet their 2001 commitment on HIV/AIDS. In the same manner, this year's GAWA event presents an opportunity to demand international accountability from the G8 countries and demand them to fund the global fight against HIV/AIDS as they meet in Germany from June 6-8. Zimbabwe joins the world in demanding delivery of the 2005 promise by the world leaders on "developing and implementing a package for HIV prevention, treatment and care with the aim of coming as close as possible to the goal of universal access to treatment by 2010 for all those who need it".



Afro-Jazz Musician, Victor Kunonga during the Zim- GAWA event

On May 23 2007 The Zimbabwe Social Forum Secretariat, Utano Support Group and Mwelekeo wa NGO (MWENGO) gathered Zimbabwean Campaigners and people living with HIV/AIDS to deliberate on their experiences, challenges and expectations. The occasion was graced by prominent activists including Pastor Maxwell Kapachawo, Martha Tholana, Voice Moyo, Sebastian Chinhaire, Dudzai Medi and Tariro Chikwanha. Renowned Afro-Jazz musician Victor Kunonga and Gospel artist Pastor Stanley Gwanzura a.k.a Pastor G. assisted in officiating at the event. Other participants included representatives from UNAIDS, Action AID-Zimbabwe, MS-Zimbabwe, International Treatment Preparedness Coalition (ITPC), medical doctors, the Zimbabwe Coalition on Debt and Development (ZIMCODD) and members of the Zimbabwe Network of People Living with HIV/AIDS (ZNPP+).

The Chitungwiza meeting was a mixture of joy and sorrow as participants shared testimonies of hope, of heartrending stigmatisation cases and challenges experienced at various levels of society as well as coping mechanisms that have failed in some cases and succeeded in others. The Candle Light Memorial ceremony conducted for the Zimbabweans who died of HIV/AIDS was one such moving ceremony leaving most of the participants shedding tears as they remembered their beloved ones who lost their lives to the pandemic. Hundreds of names of the lost lives were recorded on two banners and in a book of remembrance during the event and some of the names were read out as part of the Candle Light Memorial ceremony.

A key outcome of the event was the Zimbabwe specific Charter on HIV/AIDS which spelt out the challenges faced by Zimbabweans living with HIV/AIDS, their aspirations and their demands to the Government of Zimbabwe and the World at large. Below we publish the Zimbabwe Peoples Charter on HIV/AIDS as it was articulated on May 23 in Chitungwiza, Harare.

Zimbabwe People's HIV and AIDS Charter

We gather here today as Zimbabweans, as people living with HIV and AIDS – infected and affected and other concerned people as we join others all over the World in calling on our governments to speed up delivery of HIV and AIDS treatment to the millions who are dying without treatment. We are here to commemorate the Global Aids Week of Action under the auspices of Zimbabwe Social Forum, Mwenzo, Action Aid International and Utano Support Group as our host in Chitungwiza.

We have exchanged information on the HIV and AIDS issues, we have been moved by the testimonies, poetry, presentations and drama representation of the many crises and many forms of suffering of our people particularly women and children.

We note with deep concern that the critical observations made in the People's Convention and in many other similar meetings continue to hold true. And the important recommendations they have made have not been reflected in sound progress on these and other urgent matters.

We are deeply concerned that access to HIV and AIDS has expanded over the last three years but at a rate that means millions of people will die for lack of access to life saving care. There are many disturbing signs that the momentum of the "3 by 5" campaign has been lost, and that HIV and AIDS treatment scale up effort is stagnating

- Only 35 of over 100 countries have developed costed national plans for key HIV and AIDS interventions. Although many countries committed themselves to setting targets by the end of 2006, many targets are still awaiting formal endorsements by national authorities.
- The G8 countries have not adequately honoured their 2005 Gleneagles commitments to universal access to treatment, prevention and care
- Some HIV and AIDS policy makers and advocates are pitting treatment and prevention against each other, failing to recognize that only a comprehensive response that integrates treatment, prevention and care, will reverse the pandemic.

We are demanding that our Government of Zimbabwe, International Donors and Institutions take immediate action to accelerate HIV and AIDS treatment delivery, using this effort to build stronger health systems that also provide HIV and AIDS prevention, TB diagnosis and treatment and other services

Global Demands

- The World Health Organisation (WHO) must review the treatment scale-up targets and plans, ensure that they are realistic, and declare a single unified global target for universal access to treatment by 2010

- The G8 must deliver a funding plan for their commitment to universal access to HIV and AIDS treatment, prevention and care at their meeting in Germany in June 2007. G8 countries must fill the US\$8 – 10billion annual Global Fund, funding gap and ensure full predictable funding.
- Multilateral, bilateral and private funders to ensure that WHO has the resources to fulfil its mission and leadership role on HIV and AIDS.
- Pharmaceutical companies- including Abbott and Novartis must STOP threatening governments that seek to produce generic drugs in an effort to prevent their citizens from accessing life saving medicines
- A Universal Access Strategic Planning and Monitoring Group must be set up as a standing committee of WHO UNAIDS, the Global Fund, and PEPFAR, the G8, People Living with HIV/AIDS (PLWHA) Networks, treatment activists and organizations representing key populations. It should hold its first meeting by December 1 2007.
- Working with its partners, WHO must develop
 - A robust plan on access to second line drugs
 - A system to gather lessons learned in scale up and rapidly share them to advance program operations
 - Improved technical support to countries to ensure Global Fund and other programmes work, and
 - A fully operational human resources effort through the “Treat, Train and Retain” programme that shows concentrate outcomes in the near future

Domestic demands

- Zimbabwe must submit its fully-costed Universal Access Plan, including yearly targets and budgets by July 30 2007
- There must be an end to corruption and politicization of HIV and AIDS funds as some of the PLWHA are being denied access due to their political affiliation
- An end to stigma and discrimination, equal employment opportunities need to be implemented and that discrimination especially for PLWHA, women and the disabled should be ended at all levels of society.
- A call for the management of the AIDS Levy, Global Fund to be entrusted to people living with HIV and AIDS.
- Accountability and transparency in the disbursement of the Aids Levy and Global Funds
- Donor countries should remove conditional ties and should research on local conditions so that their programmes suit the intended beneficiaries.

Zim Interim Monetary Policy Statement in perspective

By Ntando Ndlovu and Deniz Kellecioglu

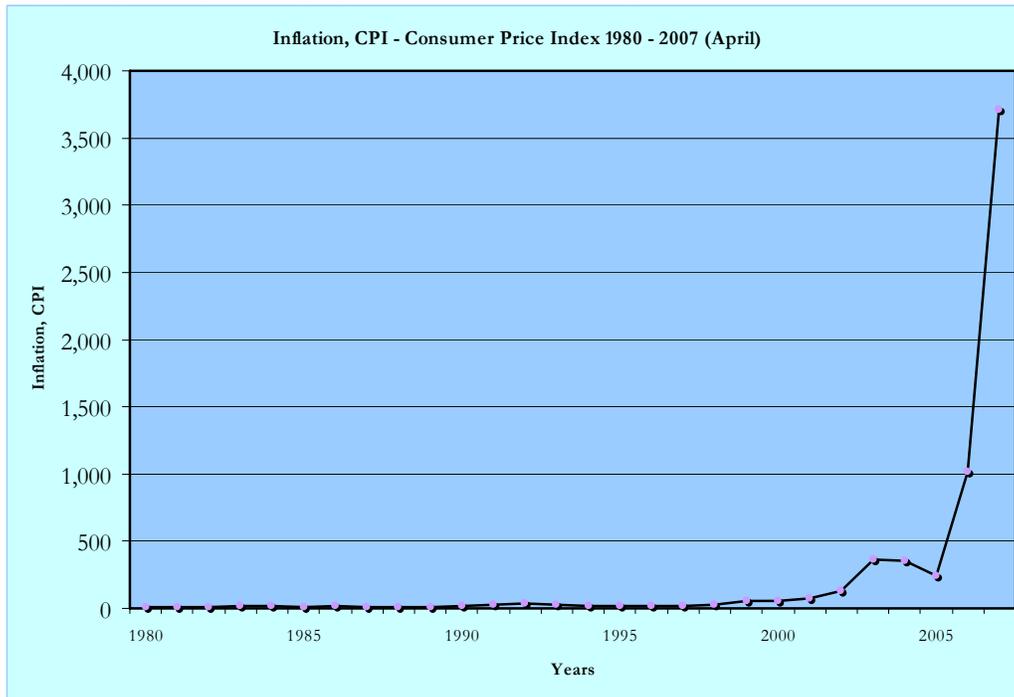
The Zimbabwean economy has been a deteriorating mess for the past nine years, with an annual negative economic growth of around -6,5 percent, inflation currently at 3 714 percent, and than 80 percent per cent of the population below the poverty datum line, in conjunction with deteriorating infrastructure and basic social services. In such an environment the Central Bank Governor, Dr. Gideon Gono and other decision makers need to come up with more thorough solutions than just adjustments here and there, which is the essence of the RBZ 26th April Interim Monetary Policy.

Adjustments are unlikely to turn around a rapidly weakening economy. At best, they might ease things up for some stakeholders on a short term basis.

Moreover, there is nothing new in this interim statement as all points have been echoed in recent RBZ statements. It is the responsibility of decision makers to lay down structures and regulations that makes up a functioning economy. Present foundations force people to take doubtful economic actions, and provide others with incentives to exploit the situation. Therefore, it is unfair of the Governor to complain upon ordinary citizens as the main creators of economic turmoil. They are not to blame, domestic and international policy makers are!

Inflation announcement

One very good thing the Governor did was the formal announcement of the March inflation rate of 2 200 percent, which had been withheld by the Central Statistics Office on instruction from government. Although it had already been publicised through the Independent media, a formal statement helps ease speculative effects. This is because Zimbabwe is now in a state of mind where it is mainly inflation that feeds inflation – expectations of higher prices resulting in further price increases. Exactly three weeks after this RBZ monetary statement, the Herald reports that the annual rate of inflation at the end of April corresponds to 3 714 per cent – a staggering 1514 percentage points over the March figure!



Source: Based on the International Monetary Fund (IMF) and the Zimbabwe Central Statistic Office (CSO) figures.

The new foreign exchange regime

The most apparent change is the introduction of the Drought Mitigation and Economic Stabilisation Fund (DMESF), tied to an exchange rate of \$15 000/US\$,

instead of the official rate of \$250/US\$. Although the Governor stresses that the latter rate is still the official, in practice everyone is allowed to exchange at the new rate, meaning the DMESF is devaluation in disguise. This setting is actually not new. During recent years, the RBZ have facilitated several different exchange rates, there have been, for instance, a special rate for business and an alternative forex auction floor.

One might also think that there will be more dollars per foreign currency entering the country, which would stimulate economic activity to new heights. Unfortunately, the difference will be very small considering the existence of several parallel exchange markets with much higher rates. It is not a secret that nowadays the parallel markets surround the petrol price per litre currently at about \$50 000 – more than thrice the amount offered by the RBZ! This means individuals and entities will continue to avoid the official exchange rate facilities in order to get more value for their foreign currency, resulting in little value change for the economy.

FCA retentions

The interim monetary policy also announced new retentions for exporters with foreign currency accounts (FCAs). Tobacco sellers are now able to retain 20 percent of their export value in foreign currency, up from 15 percent. The rest of the money is received in Zim dollars at the DMESF rate instead of the official rate. However, other foreign currency generating sectors, such as mining, are allowed to receive 60 percent of their earnings through the FCA setting, the rest through the DMESF. It is assumed that the new retentions together with the new foreign exchange frameworks will strengthen the capacities of the involved sectors.

Support prices

Although it might appear an excellent policy formulation to raise support prices for tobacco, gold, and maize, they are simply reflecting the desperate need in a hyperinflationary environment. More importantly, we ought to ask ourselves about the social justice aspects of such support schemes. What are the net gains for the society in comparison with relation to tax payer's money? Do they lead to increases in production? Who gains and who loses from such schemes?

Unfortunately, we are not able to assess these questions objectively, since the schemes and their processes are not transparent. That itself, however, indicates that something is terribly wrong – there must be a rationale to conceal information from the public. This conclusion is particularly vital since we know that patronage and corruption are influential forces in the Zimbabwean society. In the case of subsidies, support prices, beneficial loans and other similar schemes, there are grounds to assume that only a relative few (already wealthy) are profiting from them through connections and power structures.

Supporting SMEs

One welcome, but again inadequate policy, is the support scheme to Small to Medium scale Enterprises (SMEs). It is inconsistent as far as first acknowledging that this

sector (together with communal farming) contributes as much as 50 per cent to GDP, and responsible for 80 per cent of the population. Funding them with only \$16 billion. is inadequate in uplifting the sector of around 9 million people involved, particularly when the hyperinflationary environment will eat out the funds at a quick pace, if not the administration costs. The \$16 billion only represents 0, 014 percent of the total national budget statement of November 30, 2006 (112, 3 trillion). By now the \$16 billion would represent less than 0, 00023 percent (if current monthly inflation trends continue through to June. From another perspective, nowadays it is the rural population that subsidises the urban, particularly on food requirements.

Interest rates

The RBZ Governor also announced higher interest rates with the motive “to curb speculative borrowing and inflationary pressures”. However, raising interest rates by 100 percentage points to 600 percent (overnight secured annual rate) and to 700 percent (overnight unsecured annual rate) in an inflationary environment of over 3 700 per cent is just doing things arbitrarily. This still implies huge marginals when borrowing because the real interest rate is going to be considerably negative with more than 3 000 percent (the pace of losing real money value), even higher if inflation increases to more than the current 3 700 percent. The borrowings are then used by relatively few capital strong entities and individuals to earn certain profits by investing the borrowed money on foreign currency markets, the stock market, or through other value-based assets.

The rates could be understandable if there was confidence and certainty of the economy to turn around, but unfortunately there are no such signs. Perhaps the real interest rates are so negative because the public sector, including the RBZ, are the largest borrower in the domestic market. This conclusion is possible when we note that the domestic debt is increasing with pace, but the external debt is not. There are few international finance facilities that are willing to lend to Zimbabwe, at least at rates the country can afford.

The Social Contract

The Governor aims to comfort the public that the social contract process takes time to deliver results due to the diversity of views. This is not very convincing, however, when taking into account that the idea of a social contract has been expressed by him since his first policy statement in December 2003. It is taking too much time – people are in serious hardship while waiting for something meaningful to happen. Decision makers ought to outline thorough institutional and economic foundations providing the socioeconomic partners significant incentives to come forward in dialogue and understanding. This is verification that the RBZ is the wrong camp to initiate a social partners dialogue.

Other issues

It should not be the duty of a central bank to deal with issues like school fees, transport system, gatekeepers of mining goods, rentals, energy sector capacity, not

even subsidies and support prices. They should fall under the responsibility of the Ministry of Finance. The task of a central bank is to formulate and implement monetary policy, securing a stable money supply and inflation, in order to balance fiscal developments in the economy. But the only significant anti-inflationary measure evident with the monetary policy statement is the aim for higher agricultural production through support prices, and perhaps with the mentioning of a number of tractors imported, duties that also should fall under the responsibility of fiscal policy makers. This implies that activities of the RBZ are not optimally streamlined.

There is also the issue of financing the new support prices. If that involves printing more bearer cheques, then the Zimbabwean troubles will continue. This insufficient monetary policy is particularly confusing since the Governor himself concludes by noting that Zimbabwe is at the crossroads of its economic history. If so, he needs to do much more.

LOOK WEST, OLD MAN

by Magari Mandebvu

So this title caught your eye. Good. Now I hope I don't spoil it for you by saying straight away that it does not mean exactly what you probably think it does.

It does mean that 'Look East' has left us with nothing but zhing zhong goods, but let's understand first what 'zhing zhong' means. I hope you don't use the phrase just as a rude expression for Chinese goods. I don't, as an example will show.

The main reminder I get of advancing age is a backache that can strike me unexpectedly and make life very uncomfortable while it lasts. A Chinese friend introduced me to an excellent remedy for it: Tiger Balm. Rub a little on the painful area and I can feel relief almost immediately - or I should say 'I could' feel it. Now things are different. The last time I bought one of those tiny red tins, it seemed to be the same as I had bought before, with a picture of a tiger on the lid, though all the writing was in Chinese, so I couldn't be sure. But when I opened the tin, I did not notice the familiar pleasant smell and when I rubbed it on my back, it did nothing to relieve the pain. That was a real zhing zhong product - a cheap Chinese imitation. In this case, it was an imitation of an excellent original Chinese product.

There are many other good Chinese products. Do you remember when we could buy Chinese tools of the same quality as the German equivalent, but for a third of the price? But that time has long gone and so has the money we could buy those tools with. That points to the reason why 'looking East' has failed us. The trouble is that our leaders seem incapable of looking for the right things. That began to become obvious in the early 1990s, when commentators who objected to Economic Structural Adjustment Programmes (ESAP) felt forced to look for ways of working inside the framework laid down by the IMF, but which could still benefit poor people rather than exploiting them. They suggested that there was a model of independent development that we could follow without antagonising the IMF too much. That was

to follow the example of the 'Asian Tigers', the newly industrialising countries of south-east Asia, including our government's friends in Malaysia.

The 'Tigers' accepted the rules of the 'free market' but adapted them to their purposes. They had abolished many government subsidies and controls on prices etc., and had greatly reduced Customs duties, but they kept high duties on products which they were trying to manufacture for themselves and they subsidised the industries they wanted to encourage. That sounded like the best advice available at the time, but it assumed the government would understand. They did not. They did not understand because they could not understand the idea that we might be able to learn from friends without letting them take over our economy. They could not understand the idea that there could be friendly nations that were neither our patrons (like the old colonialists) nor our clients (like the DRC), but allies who were roughly equal to us, whose experience we could study and learn from: both from their successes and their failures. Maybe the Malaysians and South Koreans didn't want to treat us as equals either, but the fact is our government acted as if they were looking for new colonialists to take over from the old ones. We saw them offering state companies or large shares in them, to these new 'friends' at bargain-basement prices.

Asian companies were to build us new power stations - and keep control of them for a number of years, or to do the same with our railways, telecommunications, etc. You can't blame them. They were offered business opportunities and they took them. If we had not planned which parts of our economy we would need help with while we developed more industry and exports, that was our problem, not theirs. They would buy what factories we offered them, as long as they were cheap enough. They would sell us whatever we wanted, as long as we could pay for it. Our planners didn't, as far as we can see, ask them for advice; they offered them control and the opportunity to make profit out of us.

Naturally, their smiling Asian friends took the opportunities. They made a nice fat profit before we were so impoverished that we can only afford rubbishy zhing zhong imitations of what they used to sell us. So am I saying look back to the West, the old colonialists? By no means. I am saying look due west of here, not towards 'the West' which is really more to the north of us. If you go due west, across Botswana and Namibia, the next country you hit is Brazil and interesting things are happening there. They have their first president whom Americans would call 'black', a government that cares for people's welfare and an expanding economy.

Look a bit further north: our friend Fidel Castro must be doing something right if he has survived so long - and without an armoured Mercedes or police outriders when he moves around. Hugo Chavez, the president of Venezuela, succeeds in directing enough of the country's oil wealth to improving social services. New governments in Chile and Bolivia have been elected by the people who traditionally did not have a voice. Those promise much that will deserve careful watching. Don't expect them to achieve everything they promise, but if they try seriously we can all learn from their experience of success or failure.

But the most significant event in Latin America in the past year has been the least reported. Argentina has conquered hyperinflation without following IMF methods, paid off its debt to the IMF and outlined a development policy that

doesn't depend on loans from the IMF or IMF approval. And as they did all this their unemployment and inflation dropped and their economy showed other signs of health. How did they do that without the chaos our break with the IMF caused? That is worth studying and could teach us a lot. Yes, indeed, look west if you want to learn - but do our chefs want to learn?

(First published in Zimbabwe Independent, Harare, 17-24 February 2006).

EPAs, an assault on Africa's food security: - Why a gender and women's rights analysis is important for Africa

by Janah Ncube

Introduction and Background

The gender stereotypes that plague Africa are a key reason why women are marginalised and disempowered. Their basic rights are still regulated by repressive laws, policies and societal norms. In addition developing countries face injustices due to the global systems, structures and policies affecting the distribution of local resources and their development priorities. Africa has continuously signed international agreements that promote world market supplies "at the expense of food production for local consumption.

The rules on market access, tariffs and subsidies severely limit the government's ability to protect domestic agricultural production where women preponderate"¹. Such global trade rules have disempowered governments and usurped their capacity to fulfil their obligations to their citizens. We saw this in the impact of Structural Adjustment Programs (SAPs) that sub-Saharan Africa adopted in the 1990s and is still reeling from. Now the World Bank concedes SAPs were bad for Africa). African governments, men and women have since learnt that global initiatives and policies that ignore their experiences can have serious effects on their economic, social and even political status. These effects can include determining if there is food on the table, how much and what kind. SAPs have brought even more economic hardships to communities and during such times women often assume the burden of adjustment. They absorb the shocks to household welfare by subsidising the state and "expanding their already stretched working day, often to the detriment of their own health and nutrition"². Despite all this, women are not found in decision-making positions in African countries. Their countries' food security agendas are drawn up without their participation. Their voices should be heard in decision making on the diplomatic and trade policies which determine the international partnerships and agreements their countries enter into.

The current trade negotiations between the European Union (EU) and Africa Caribbean Pacific (ACP) countries, the Economic Partnership Agreements (EPAs), are Free Trade Agreements (FTAs). They will have a significant impact on national economies, especially the agricultural and economic sectors. This will adversely affect everyday household realities. It is important to reflect on how EPAs will affect

¹ Randriamaro Z. (2002) The WTO Agreement on Agriculture (AoA) and Food Security for small scale farmers from a gender perspective; paper presented at the International Workshop on the Doha Development Agenda and food security in the East Africa Region; 21 – 25 October 2002, GERA/TWN, Nairobi Kenya

² Quisumbing AR, Brown LR, Feldstein HS, Haddad L & Pena C (1995). Women: The key to food security. Food Policy Statement No. 21 August 1995. IFPRI Washington, DC (Page 13)

our societies. It is more important to show how EPAs would impact on women and on gender relations.

In sub-Saharan Africa, women produce 70-80 percent of the food consumed in the household. Women have been denied “equal access to land, technology, education and other resources” by the gendered nature of roles and responsibilities. This gender imbalance determines the division of labour, decision making, appropriation of resources and access to information and technology...”³ Consequently rates of poverty, malnutrition and premature deaths are higher for women and girls than for men and boys. This gendered division of roles and responsibilities at household levels has also led to “women being identified with food production” for family consumption including preparation, storage, apportioning “while cash crops production is mainly controlled by men as household heads”⁴.

African states have “determined to ensure that the rights of women are promoted, realised and protected in order for them to enjoy fully all their human rights”⁵ through the African Union (AU) Protocol on women (see article 15) giving effect to the right to food security and (Article 19f) committing to reduce negative impact of trade and economic policies and programs on women (Also see CEDAW, Beijing Platform Resolutions). Thus a gender lens enabling us to ask; who produces, who earns, who reproduces, who owns, who accesses, who controls, who decides, who participates, who benefits, who nurtures, who loses and who cleans up after?

Food Sovereignty

Food Sovereignty is about the right of peoples, communities and countries to define their own agricultural, labour, fishing, food and land policies, which are appropriate to their unique ecological, social, economic and cultural circumstances. It is necessary if they are to achieve sustainable development objectives to; determine the extent to which they want to be self-reliant; [and] to restrict the dumping of products in their markets. Food Sovereignty does not negate trade, but rather, it promotes the formulation of trade policies and practices that serve the rights of peoples to safe, healthy and ecologically sustainable production⁶. In our analysis and approach, among the key elements of food sovereignty are the rights of women farmers as actors and decision makers in the agricultural sector, policy formulation and implementation. This affirms and recognises all women who are involved in agricultural work as farmers in their own right. Thus over and above the general understanding of ‘farmers’ we also refer to the majority of women living in rural areas as farmers, for they mostly are engaged in farming activities for their household’s food and their livelihood.

Food sovereignty goes beyond the food security agenda as it addresses the rights of peoples, communities and states in not just accessing food but determining how they utilise resources available to them to ensure they have sustainable food security. We believe food security will only be attained when all farmers and states are accorded their rights and responsibilities. They must be allowed to prioritise producing food for

³ Melena C (1994) Gender Issues in Integrated pest management in African Agriculture. NRI Socio Economic Series 5

⁴ Ongile GA (1999) Gender and Agricultural supply responses to structural adjustment programmes: A case study of smallholder tea producers in Kericho, Kenya. research report no. 109 Nordiska Afrikainstitutet Uppsala, Sweden

⁵ Protocol to the African Charter of Human and People’s Rights on the rights of African women 2003. Africa Union Ethiopia

⁶ See statement by Via Campesina, et al. Undated. “Statement on People’s Food Sovereignty: OUR WORLD IS NOT FOR SALE, Priority to Peoples’ Food Sovereignty.” <http://www.foodfirst.org/wto/foodsovereignty.php>

their own consumption and that of all citizens of their countries. This must come before market interests. Indeed the African Heads of States and Governments recognise and assert that for Africa, the goal is self sufficiency in food production and as a way of eradicating poverty in the continent⁷.

Economic Partnership Agreements⁸

EPAs have been introduced as a core feature of the Cotonou agreement signed in 2000 between the EU and 77 ACP countries. Cotonou consists of three main headings: Trade, Aid and Political Cooperation. Trade is particularly important given the significance it has for the Sub-Saharan Africa (SSA) region's development and the fact that the EU is SSA's largest trading partner⁹. Their focus is supposed to be enlarging ACP countries' markets and creating the conditions for increased investment. Before 2000, the EU allowed ACP countries preferential access to European markets through unilateral trade preferences accorded under the Lomé Convention. Unilateral trade agreements are incompatible with WTO rules since the "Enabling Clause" in the GATT does not allow unilateral preferences that discriminate between groups of developing countries, except in favour of LDCs. Cotonou requires all ACP countries to negotiate WTO compatible EPAs to replace unilateral trade arrangements and to remove trade barriers between the parties (GATT, Art. XXIV).¹⁰ EPAs symbolize the most significant change in the EU's approach to ACP countries. In the framework of EPAs, ACP countries enter a free trade area in which both parties are expected to trade on an equal basis. Under WTO regulations they must remove barriers to trade and open up their markets within a very short timeframe.¹¹ The commitment binding the EU and ACP countries is to work together towards poverty eradication, sustainable development and, most significantly, the integration of ACP countries in the world free trade economy.

Problems with EPAs

According to the Harare Declaration¹² made by African civic society actors, the problems with EPAs are that they will

- expand Europe's access to ACP markets for its goods, services, and investments;
- expose ACP producers to unfair European competition in domestic and regional markets,
- thereby lead to deeper unemployment, loss of livelihoods, food insecurity and social and gender inequity and inequality as well as undermine human and social rights;
- endanger the ongoing but fragile processes of regional integration among the ACP countries; and deepen - and prolong - the socio-economic decline and political fragility that characterises most ACP countries.

⁷ AU Heads of States and Governments: Declaration on the challenges of implementing sustainable development in agricultural and water in Africa, 2nd Extra-Ordinary Session held in Lybia 24-28 February 2004. Published by the Africa Union Commission

⁸ This section heavily borrowed from an ACORD Internal Policy Brief by Pozzi E. (2006) EPAs. unpublished

⁹ Hinkle, L.E.; Schiff, M. (2004) "Economic Partnership Agreements Between Sub-Saharan Africa and the EU: a Development Perspective". The World Bank, Blackwell Publishing Ltd.

¹⁰ *ibid*

¹¹ Declaration of 9th Annual Meeting of the Africa Trade Network : FORWARD WITH THE STRUGGLE TO STOP THE EPAs December 2006, hosted and published by TWN Africa Accra Ghana

¹¹ www.traidcraft.org.uk/template2.asp?pageID=1756&fromID=1276

¹² Harare Declaration: A GLOBAL CALL FOR ACTION TO STOP EPAs March 2006, published by Mwengo and TWN-Africa

African institutions and peoples have an extremely different solution and approach to their development from the one asserted and championed by the west through IFIs and such instruments as EPA.

As noted by the Civil Society Organisations (CSOs) gathered at the 9th Africa Trade Network in December 2006, Africa needs

“to pursue autonomously determined policies which promote the development of our economies, and fulfil the social and human rights and livelihood needs of our people. ... integration of African countries both regionally and continentally, on the basis of our own imperatives, is a key condition for the development of our countries and for the benefit of our people. Over the past two decades, this right of African countries to pursue their own individual and collective developmental agenda have been attacked and subverted by the countries of the north that dominate the world economic system, as part of their never-ending attempts to further open up the economies of African and other developing countries for the benefit of their trans-national corporations”.

Furthermore, EPAs treat all countries as economic equals yet even amongst African countries economies are not equal let alone with European countries. 39 out of 74 ACP countries are LDC. It is disingenuous to assume a real partnership can be fostered with equality as a core principle in consideration of the colonial history which still has a great influence in most of EU countries that were former colonisers of ACP countries and indeed the power dynamics between bigger and stronger economies versus many of Africa’s still developing economies.

Lastly, it is anticipated that once tariff barriers are dropped, the EU will have virtually unrestricted access to ACP markets – flooding them of cheaper imports which will unfairly compete with locally industries that are still recovering from SAPs and in many countries from conflict. This will lead to reduction/closure of local ventures especially the SMEs, job losses, unemployment, loss of livelihood as a result of influx of cheaper and subsidized imports. Such an arrangement between a highly industrialised, rich region and an economically under-developed poor country will disproportionately favour the strong i.e. EU

Likely Impact of EPA on Agriculture

Over 70% of Africans get their livelihood from the agricultural sector of which over 60% of labour comes from women. Most African economies highly depend on agriculture. Some of the likely negative impacts of EPAs on agriculture are anticipated to be;

- Competition from Europe’s agricultural products which are highly subsidized and thus cheaper
- Dumping of cheaper agricultural surpluses – threatening the viability of our agriculture and agri-processing industries – result collapse of rural economies, increased impoverishment and food insecurity
- the pressure for ACP countries to drop their tariffs under the EPAs will remove the only protection that African governments can offer their own farmers as they can not subsidise their farmers due to conditionalities on loans and aid from IFIs and some of these EU donor countries.

- Increased dependency on imported food products
- Shift to employment based agriculture with greater dependency on cash crop farming at the expense of farming for own food

Impact of EPAs on Women

While all these negative results due to EPA will affect all citizens in general, this paper seeks to further scrutinise how these likely issues will impact on women within most African societies. Over 60% of Africa's population are small scale farmers who live in rural areas. It is these farmers that are producing most of the food that feeds the continent. Between 60 to 70% of the small scale farmers are women. Thus it is alarming that women are not present nor their farming concerns visible in EPA discussions. If the impact of EPAs on women based on the gender dynamics of our societies and the African women's experiences, knowings, and issues are not taken on board in EPA negotiations then surely the MDG goal to "eradicate extreme poverty and hunger"¹³ will not be realised. Because women farmers mostly operate at a small scale, they thus will have the worst experience should from further trade liberalisation.

Market driven priorities have seen a shift of family land (controlled by men) being allocated increasingly to cash crops and much less land being allocated to food production for the family. More and more time and labour is also being channelled to producing cash crops at the expense of food for the family. What is more problematic is that most women in male headed households have no access to or control of the proceeds of cash crop sale. Hence really provide free unpaid labour. Studies and experience show that males spend extra income on personal extras or investment goods and not necessarily on the family. Yet when women make extra income it is spent on basic household needs such as food, school fees, and children's needs¹⁴. Female headed households and child headed households have been found to be the most food insecure due to limited and/or no access to agricultural resources and limited labour. This has been one of the factors that feeds high rates of crime, prostitution, sex as a means of security/money/food, forced marriages, early marriages, high HIV and AIDS and other Sexually Transmitted Infections (STIs) and many others developmental challenges and hindrances that societies face.

The following concerns were raised by a focused group discussion of gender activists who work with women farmers in 8 countries across the continent of Africa on the likely impact of EPAs on women;

- Most rural women in agricultural work produce crops/food for consumption so open markets in Europe do not benefit them. However if the agricultural sector of Africa is squashed by open markets; men who are generating livelihoods through cash crops will migrate to urban areas and leave their wives and families; this makes all susceptible to socio economic pressures such as HIV and AIDS, family breakdown, limited cash in the home and their ripple effects
- Most women in Africa are in the informal sector. This sector will be seriously negatively affected as their products/crops will not compete (or will face high competition) with imports both in terms of quantities and quality
- Most land will be allocated to commercial activities leaving less land for food

¹³ Millennium Development Goal No. 1

¹⁴ See Melena C (1994)

- more women will go to work in commercial farms and women's labour will be further exploited
- Women will have limited to no access to markets for their produce
- Limited access or lack of access for agricultural inputs such as seeds. Open markets may mean flooding Africa with GMOs making people depended on aid or buying food/seeds continually
- Loss of work and/or income as women's cash crops are minimal
- Current EPAs processes (both negotiations and campaigns) do not adequately include women's voices, views and issues, if they include them at all.
- Most countries' economies depend on agriculture. Squeezing out the small to medium hold farmers will kill the agricultural sectors of Africa this in turn harming countries' incomes and thus increasing poverty. Government's ability to provide infra-structure, spearhead development and provide social welfare needs will be highly compromised. This will further lead to women's suffering as they will take over where government fails and carry the burden of welfare needs of their families and communities
- If women are squeezed out of farming, local food crops will disappear or become extinct
- Economic migrants will increase, families will disintegrate,
- Alternative ways of survival will be adopted (crime, prostitution)
- If women are squeezed out from farming and/or Africa's agricultural sector is stifled. Loss of traditional skills, means of production, copying mechanisms etc will happen
- Imports of foreign foods will influence local eating habits and erode aspects of our African identities
- Loss of, or to limited, access to land especially for women who already have regulated and minimal access

Conclusion

The rights of African women have been on the human rights agenda for a very long time and as a result, numerous international, regional and local instruments, laws and policies have been signed by Heads of States and Governments committing them to advance and protect those rights. Indeed much has also been done on the ground to ensure African women begin to enjoy these rights but this has not been adequate. Most of these rights are still clauses in legal documents that have not been translated into norms and practices. Many African women have still to access basic human rights. The most affected by this is the rural woman who has remained at the bottom rung of the development ladder. She is the last one to know, experience, access the rights that are inherently hers.

In the current context of gender relations in Africa and past experience of trade liberalisation, it is clear that women end up carrying the costs of social welfare issues for their families and communities. A study carried out in Niger clearly shows, imposing EPAs violates African women's rights. Both African and European governments are party to agreements to defend these rights. They therefore have a responsibility to uphold the rights.

Thus it is important to resist EPAs.

Watch this space...

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