

Neo-Liberal Restructuring and the National Liberation Agenda: The Case of Zimbabwe with Lessons from Chile

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This paper seeks to revisit the objectives of the national liberation project and posit them against the basic tenets of the neo-liberal model (NLM), which has dominated the policy arena of most developing countries in the past twenty years.

That Zimbabwe, after pursuing import substitution industrialisation during the 1980s i.e. the first decade of independence, soon found herself implementing similar reforms at the turn of the last decade is now academic given the global balance of forces and the dominance of the neo-liberal discourse in the donor community.

It is to be argued in this paper that among the various policy prescriptions of the NLM, i.e. reduction in both government interference in economic regulation and the free play of market forces, reduction in public expenditure, lowering of the effective rate of protection, devaluation of the exchange rate and the liberalisation of markets, it is in fact the liberalisation of the labour market and the emasculation of labour that is the key instrument. If one approaches the debate from the labour theory of value, it is clear that the central element of the all the policy tenets of the NLM is the share of labour. ²

It follows therefore that where democratisation of the work place and the improvement in the factor share of labour were key objectives of the national liberation project this poses problems and a major contradiction between economic policy objectives and the proclaimed objectives of national liberation.

It is against the background of such a discussion that we believe the current economic stagnation and meltdown in Zimbabwe can be properly characterised. The subsequent rift between the labour movement and the state seems to be a process rooted in the era of liberalisation, i.e. in the 1990s. Or better still the contractions became sharper in the 1990s and leading up to the formation of the opposition Movement for Democratic Change. The paper seeks to suggest that whichever way the current political impasse is resolved in Zimbabwe the share of labour in national wealth shall remain an issue in need of attention.

The paper shall draw lessons from the Chilean experience with neo-liberal restructuring in the post Allende era to inform the debate. This is done for two reasons:

- a) from a comparative perspective there are certain features in Chile's history that provide useful insights from a reflective perspective, and
- b) Chile can be said to be a trailblazer with the NLM before the 1980s Bretton Woods institutions inspired reforms.

