The Economic Growth and Food and Nutrition Security Nexus in Zimbabwe: A Three-decade Perspective

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Abstract: The causal relationship between food and nutrition security and economic growth is a hotly contested debate; that is, food and nutrition security results in economic growth, or economic growth results in food and nutrition security. This article reviews the relationship that has existed between economic growth and food and nutrition security in Zimbabwe since 1990. The research methodology used in this article is to analyse past and contemporary literature on the economic growth and food and nutrition security nexus in order to answer the following question: What has been the nexus between economic growth and food and nutrition security in Zimbabwe over the last three decades? The research findings suggest that food and nutrition security generally reflects the trajectories of the prevailing socio-political and economic environment over the last three decades. In essence, food and nutrition insecurity in Zimbabwe is not due to lack of economic growth but because the country has struggled to address its longstanding socio-economic and political woes. The persistent debt overhang, budget deficits, land reform, climate change, and post-harvest losses must be addressed satisfactorily in order to solve the food crisis in Zimbabwe. Principally, for policymakers, the research findings contribute to an understanding of the factors that promote enhanced food and nutrition security in Zimbabwe.

Keywords: food and nutrition security, economic growth, structural adjustment programmes, land reform, climate change, Zimbabwe

Introduction

After a prolonged decline, world hunger appears to be on the rise again. According to the Food and Agriculture Organization (FAO, 2017:1), the estimated number of undernourished people worldwide increased to 815 million in 2016, up from 777 million in 2015. Achieving the transformation to sustainable food and nutrition security is a major challenge. To achieve the most direct reduction of hunger, priority must be given to economic growth in the agricultural sector, which hosts the majority of the poor in order to ensure resilient livelihoods and to achieve food and nutrition security (FAO, 2015:17). Notwithstanding the growing population and declining economy, Zimbabwe continues to face food and nutrition security challenges, which, if left unchecked, will have a negative impact on national development. The 2018 Zimbabwe Vulnerability Assessment Committee Report on rural livelihoods estimates that up to 1.1 million people face food and nutrition insecurity (Zimbabwe Vulnerability Assessment Committee

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This thus makes it imperative for policymakers to step up efforts to enhance the abilities of communities and households to recover from and build resilience for future shocks. Moreover, by addressing the issue of food and nutrition security, the country is not only addressing the welfare of its citizens but economic growth is also enhanced (FAO, 2015:18). This research is thus based on past studies to gain an understanding of the connections between food and nutrition security and economic growth over the period 1990 to the present day. The study strives to provide lasting solutions and design strategies that could be considered by policymakers and implemented in order to address the food and nutrition insecurity that has been experienced in Zimbabwe over the last three decades.

The relationship between economic growth and food and nutrition security

While economic growth in less-developed countries, including Zimbabwe, is highly dependent on food production (Asayehgn, 2016:3), its relationship with food security is debatable (Desta, 2016b:2). Economic growth refers to an increase in the national output/income in a given country, while national output or income can be measured by gross domestic product (GDP) (Roux, 2011:10). Conversely, food and security exists when all people, at all times, have physical, social, and economic access to sufficient, safe, and nutritious food to meet their dietary needs and food preferences for an active and healthy life (FAO, 1996:13; FAO, 2009:2). This definition of food security includes four main dimensions: physical availability of food, economic and physical access to food, food utilisation, and stability of the other three dimensions over time (FAO, 2001:8). Implied from the above definitions is that food and nutrition security has multiple dimensions, including economic growth. The FAO (2013:6) argues that economic growth can raise income and reduce hunger.

According to Torero (2014:1), food security contributes to economic growth rather than economic growth contributing to food security. In fact, rather than economic growth contributing to food security, it is food security that induces economic growth (Asayehgn, 2016:2). A hungry nation cannot grow the economy in the same way a food secure nation does. Torero (2014:1) further stresses that economic growth is only sustainable if developed countries attempt to achieve food security as a base for their citizens (see also Asayehgn, 2016:2). Asayehgn (2016:5) assert that improved food security stems directly from a set of government policies that integrates the food economy into a development strategy that seeks rapid economic growth. Furthermore, economic growth and food security mutually reinforce each other in most poor countries; for example East and Southeast Asia have addressed these steps concurrently for about two decades to increase the production and distribution of food and have escaped from hunger (Asayehgn 2016:5). The World Bank (1993) stresses that rapid economic growth has been the main vehicle by which most Asian countries have reduced poverty and enhanced food security. Inherently, the region has seen substantial variance in growth rates since the 1960s, with China growing extremely rapidly after 1980 (Uwizeyimana, 2016:49) and the Philippines growing only modestly since 1961 (Lecture & Timmer, 2004:5). The FAO (2003:8) and Torero (2014:1) stress that countries with very high levels of poverty and chronic malnutrition face limitations in human capital development, which is required to achieve sustainable economic growth”. In fact, according to Torero (2014:1), high levels of poverty,
inequality, and chronic malnutrition force governments to invest significant resources in the short term through social safety net programmes and conditional cash transfers. High rates of malnutrition can lead to a loss in GDP of as much as 4% to 5% (see also FAO, 2013:1).

Moreover, economic growth alone will not solve the problem of chronic malnutrition and stunting. *The Lancet*, a leading scientific journal in the field of global health and nutrition, discovered that a 10% increase in economic growth reduces chronic malnutrition by only six percent (Torero, 2014:1). This asymmetry illustrates that economic growth by itself will not resolve the problem of chronic malnutrition, which is a key variable in any food and nutrition security strategy (Torero 2014:2). Achieving food security and reducing chronic malnutrition requires additional multi-sectoral policies aimed at reducing inequalities and targeting vulnerable populations (FAO, 2013:2). For example, Latin American countries have the greatest income gaps of any region in the world but there are some success stories from the region as well. In Brazil, stunting fell from 37.1 % to just 7.1 % over the last 33 years and much of this reduction in stunting occurred between 1996 and 2007, when the gaps between poor and wealthy families with children under five were reduced in terms of purchasing power as well as access to education, healthcare, water and sanitation services, and reproductive healthcare (see also FAO, 2013:2). Torero (2014:3) argues that without stable and long-lasting food and nutrition security, there will be a continued negative effect on human capital, which will raise government fiscal costs, with negative consequences for government public spending. This will also lead to stagnated economic growth in the long term. Thus, food security is central to both short- and long-term economic growth and it needs to be a central part of a larger cross-sectoral strategy at the national, regional, and global levels, (FAO, 2013:2; Torero, 2014:1).

The 2014 Global Hunger Index produced by the International Food Policy Research Institute (IFPRI) shows which countries are facing the highest rates of hunger and malnutrition, thus providing a roadmap for governments and policymakers seeking to address the issue (Torero, 2014:1). Following is a discussion of the relationship between economic growth and food and nutrition security in Zimbabwe over the last three decades (1990s to 2018).

The relationship between economic growth and food and nutrition security in Zimbabwe: The first decade (1990 to 2000)
At independence in 1980, the government of Zimbabwe (GoZ) inherited well-oiled state machinery that enabled massive state intervention and control of the national economy (Dashwood, 1996; Mzumara, 2012:14). Intrinsically, as Masaka (2013:1) puts it Zimbabwe’s diversified economy also showed signs of growth and vibrancy and was viewed as a beacon for Africa, and Zimbabwe was called the bread basket of Southern Africa (see also Riddell, 1984:18). However, since the mid-1980s, Zimbabwe’s economy has been characterised by low and volatile growth, foreign exchange shortages, inadequate investment, large structural budget deficits, and stagnant employment (Mudimu, 2003:13). These combined contributed to increases in poverty and vulnerability to food insecurity (Alwang, et al. 2002:40). Masaka (2011:10) maintains that from 1991 to 1998 Zimbabwe was forced to implement the Economic Structural Adjustment Programme (ESAP) after it failed to service its external debt to the World Bank and the International Monetary Fund (IMF). ESAP was meant to address the challenges created by import and foreign exchange controls, restrictions on capital and dividend remittances for foreign investors, control
of agricultural pricing and marketing, and a high budget deficit, which led to a large demand for domestic borrowing, which prevailed prior to 1991 (Mhone & Bond, 2001:30; Alwang, et al. 2002:5). Failure to tackle the huge and rising fiscal budget deficit, partly due to delays in relinquishing parastatals and the 1992 drought, contributed to the failure of ESAP (Masaka, 2011:11; Alwang, et al. 2002:5). For instance, the downsizing of public sector institutions and massive privatisations led to net job losses, budget restrictions compromised social service delivery and human capital development, and most importantly, ESAP failed to yield the envisaged growth outcomes as the annual economic growth for Africa during the 1990s averaged only 2.1% (Rappley, 2007:12). As a result, the country failed to sustain higher levels of investment and growth, thereby compromising public welfare, including food and nutrition security (Rappley, 2007:12; Alwang, et al. 2002:46). Mhone and Bond (2001:32) contend that the list of poor policy choices include massive but unbudgeted-for financial grants handed out to the war veterans in 1997 that undermined fiscal discipline; poorly organised appropriation of land from white commercial farmers, which led to rapid decline in agricultural production and productivity; policy reversals on taxation and prices; and the inexplicable military intervention in the Democratic Republic of the Congo (DRC) in 1997 (Brett, 2005:5; Biti, 2015:1). All these contributed to the decline of the economy and subsequently food and nutrition security. The GDP fell by 40% between 1999 and 2003 and continued to decline at an alarming rate in the following years (Zimbabwe Economic Policy Analysis and Research Unit [ZEPA], 2013:17). At the turn of the new millennium, the government abandoned market-based reforms that it had adopted in the 1990s and reintroduced state management of the economy” (Masaka, 2013:14). It blamed external plots intended to affect regime change, recurring droughts, and international economic sanctions as the main causes of the country’s economic problems (Clemens & Moss, 2005:2).

During the mid-1990s, over 60% of Zimbabwean households fell below the national poverty line (Alwang, Mills & Taruvinga, 2002:9; Alwang, et al., 2002:1). A study by the Famine Early Warning Systems Network and Consumer Council of Zimbabwe (FEWS Net & CCZ) in 2001 reported that 70% of Harare' population fell below the poverty datum line of Z$17 000 (about US$250) per month (Alwang, et al., 2002:9; FEWS Net & CCZ, 2001:11). It thus implies that household food and nutrition insecurity worsened during liberalisation. Although Zimbabwe was generally considered food secure during this first decade in terms of national requirements, household hunger, evidenced by the fact that 30% of children under the age of five suffered from chronic malnutrition, increased. The average daily energy consumption declined from 2 233 kilocalories (kcal) per capita in 1980 to 2 000 kcal per capita in 1993, and the situation was expected to deteriorate through to 2010 (FAO, 2003:44).

The period 1970 to 1997 saw the daily per capita supply of energy falling from 2 225 kcal (which was above the Southern African Development Community [SADC] average of 2 173 kcal in 1970) to 2 145 kcal in 1997 (below the SADC average of 2 224 kcal), i.e. a 14% fall in per capita supply. In addition, the daily per capita supply of fats changed only by 6.8% for Zimbabwe, compared with the regional average of 16.9%, which shows increased food and nutrition insecurity for the country over the years (SADC Human Development Report, 2000). The FAO (2001) argues that during this decade, food and nutrition insecurity in the country was immense among the urban poor and many households in the food-deficit southern and eastern areas of the country. Food aid was considered an option to meet part of the food
requirements but more challenging was the strained relationships between the GoZ and likely donors (FAO, 2001:12).

The relationship between economic growth and food and nutrition security in Zimbabwe: The second decade (2000 to 2010)

The second decade is commonly known as the period of the crisis, especially the period between 1997 and 2008 (Breisinger & Ecker, 2014:100). During this period, growth rates became negative, implying the key condition for employment creation and poverty reduction was violated, thus threatening food and nutrition security (ZEPARU, 2013:18; Breisinger & Ecker, 2014:100). In fact, The combination of wavering domestic policies, governance problems, and costly deployment of troops to support the DRC government seriously affected economic performance and investor confidence since the 1990s (IMF, 2001:1). The GoZ got involved in the DRC war in 1998, under the influence of former president Robert Mugabe during his term as the chairman of the SADC. In fact, Zimbabwe sent about 11 000 troops, armoured vehicles, and combat aircraft, and at the height of the military intervention the country was spending an estimated amount of Z$1 million a day. During this period, additional money was created without discipline and this resulted in demand-pull inflation of about 40% unemployment, and the value of the United States (US) dollar doubled against the Zimbabwean dollar (Rupiya, 2002:94). Moreover, exogenous shocks, including intermittent droughts, terms of trade losses, and the fallout from emerging markets’ financial crises in the late 1990s also played a part (IMF, 2001:5). By late 2000, the country was in the midst of a serious economic crisis and was saddled with a sizeable stock of public debt and external payments arrears, while usable foreign reserves had dwindled and inflation was on an upward trend (IMF, 2011:5). The GoZ made a number of decisions that triggered hyper-inflation (which was estimated at 231 million percent) and the near collapse of the economy from 2000 to 2008. The fast-track land reform programme (FTLRP) that commenced in 2001 led to a country-wide disruption in agricultural production, outflow of foreign direct investment (FDI), and a credit freeze by the international community, which resulted in an increase in the trade deficit (Bond, 2007:12). In 2002, Zimbabwe experienced severe crop failures due to early termination of the rains in February. The reduction in yield and output at farm level led to a 70% shortfall in production to meet annual food requirements. This was the largest deficit in Zimbabwe’s food production history since 1980 (Alwang, et al, 2002:9). This created severe food shortages in both urban and rural areas. The food shortages, in turn, deteriorated into a famine and a humanitarian disaster with seven million people on food aid and a third of the population migrating to other countries, especially South Africa (Zimbabwe Vulnerability Assessment Committee [ZimVAC], 2002:4; Alwang, et al. 2002:5). According to the Zimbabwe Emergency Food Security Assessment, 486 000 tons of food aid was needed to meet the food security requirements of 6 700 000 people (49% of the population) over the period September 2002 to March 2003, and 70% of the rural population was at risk of famine-induced starvation (FOA & World Food Programme [WFP], 2002:12).

From the beginning of the 2008/2009 cropping season in November up to the April 2009 harvest, Zimbabwe suffered a major food security crisis (FAO, 2012:3). FAO (2012:2) argues that The previous 2007/2008 cropping season was quite poor, and only produced roughly 600 000 million tons of maize due
to erratic rainfall, substantial moisture deficits, and poor access to fuel and fertiliser (see also FEWS Net, 2008:14). The crisis continued through the beginning of the 2008/2009 cropping season, due to continued economic problems linked to hyperinflation, political instability, and continued decreased access to fuel and fertiliser (FEWS Net, 2009:6). More so, in 2009 Zimbabwe formed the Government of National Unity (GNU) and this also ushered in the multiple-currency system (the US dollar, South African rand, and Botswana pula replaced the Zimbabwean dollar). This resulted in the political and economic stability of the country (GoZ, 2012:1). Additionally, the government of Zimbabwe started to pay salaries to its employees in US dollar in February 2009, thus improving food and nutrition security for the majority (FAO, 2012:3). Moreover, the seven million beneficiaries for food assistance in February 2009 decreased significantly with the adequate April/May 2009 harvest, and only 10% of the population was still classified as food insecure in May 2009 (FEWS Net, 2014:12; FAO, 2012:3). World Bank data indicate that the Zimbabwean national prevalence of under-nourishment was 39% in 2006, 30% in 2008, and 33% in 2011 (Zimbabwe Demographic Health Survey [ZDHS], 2011/2012; FAO 2012:3). However, despite the introduction of multiple currencies and the stabilisation of inflation, the economic and political challenges for the country remained visible (FAO, 2012:3). Deindustrialisation, unemployment, economic atrophy, and accelerated informalisation of the economy remain ongoing “wicked” challenges that threaten food and nutrition security (ZEPARU, 2013:22).

The relationship between economic growth and food and nutrition security in Zimbabwe: The third decade (2010 to present)

Following a decade of contraction from 1998 to 2008, the economy recorded real growth of more than 10% per year in the period 2010 to 2013 (Zvavahera and Chigora 2015:2). The recorded economic growth was partly attributed to the implementation of an inclusive government in 2009. The inclusive government ushered in a new era of dollarisation in early 2009, which allowed currencies such as the Botswana pula, the South Africa rand, and the US dollar to be used locally, which reduced inflation to below 10% per year (Chimhowu, Manjengwa & Feresu, 2010:10). However, during this period, 62.6% of the households in Zimbabwe were still deemed poor and food insecure (Chinyadza, 2015:1). The Zimbabwe Millennium Development Goals Progress Report of 2012 argues that 94% of paid employees in 2011 received an income equal to or below the total consumption poverty line (TCPL) for an average family of five. Three out of every four employed persons in Zimbabwe were classified as in “vulnerable employment”, thus compromising food and nutrition security. In the year 2013, after harmonised elections, the new Zanu-PF government launched the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZimASSET), whose vision is towards an empowered society and a growing economy, which envisaged improved food and nutrition security in one of its clusters (GoZ, 2013:2). However, Zvavahera and Chigora (2015:2) argue that ZimASSET produced results that are contrary to its vision because most households remain food insecure.

Moreover, in 2014 the economy slowed down to roughly four percent due to poor harvests, low diamond revenues, and decreased investment (Chinyadza, 2015:1). In January 2015, as part of the government’s effort to boost trade and attract foreign investment, the Reserve Bank of Zimbabwe announced that the
Chinese renminbi, Indian rupee, Australian dollar, and Japanese yen would be accepted as legal tender in Zimbabwe. The Government of Zimbabwe entered a second Staff Monitored Program with the IMF in 2014 and undertook other measures to re-engage with international financial institutions (GoZ, 2017:5). The United Nations Conference on Trade and Development’s (UNCTAD) world investment reports of 2015 and 2016 contend that Zimbabwe recorded US$421 million in 2015 and US$319 million in 2016. The continued decline in FDI was most probably due to the unimproved business environment, land tenure, and indigenisation legislation. The manufacturing sector’s capacity utilisation has been decreasing since 2011, from a peak of 57.2% to 34% in 2015 (GoZ, 2017:6). As an interim measure, the GoZ introduced Statutory Instrument 64 in 2016 in an attempt to reduce the import bill as well as to increase industry capacity utilisation by promoting value addition and beneficiation of export goods (Zvavahera and Chigora 2015:2). According to the World Development Indicators Database (2017), the annual GDP growth rate declined from 15.4% in 2010 to 0.7% in 2016. Currently, the country has a severe liquidity crunch, which has seen banks having withdrawal limits as low as US$20 per day, which caused endless queues. The bond notes that were introduced in December 2014 have since been replaced by the US dollar. All these challenges resulted in increased poverty of the general public and negatively influenced food and nutrition security (Chinyadza, 2015:1). The GoZ introduced the Command Agriculture programme in July 2016, with the aim of ensuring food self-sufficiency in Zimbabwe. The programme targets 2,000 farmers near water bodies and the mandate is for them to produce 1,000 tons of maize each (Mnangagwa, 2016:1). Despite the plan, the programme faced many challenges due to corruption, late disbursement of inputs, and low prices, among other issues. However, Command Agriculture, coupled with good rains, has registered tremendous success during the 2016/2017 farming period, in excess of 700,000 tons of maize (Mugabe, 2017:2). The last decade is characterised by a horde of political challenges and worsening socio-economic conditions that threaten food and nutrition security in the country.

Concluding remarks and recommendations

Based on the above analysis, it can be concluded that while there is a pivotal relationship between food and nutrition security and economic growth, their connection is still a hotly contested issue. However, while it is still debatable whether food and nutrition security induces economic growth or economic growth prompts food and nutrition security, there is a mutually reinforcing process between food and nutrition security and economic growth, especially over the three decades reviewed in Zimbabwe. From the ongoing discussions it can be argued that food and nutrition insecurity in Zimbabwe is not entirely due to the lack of economic growth. Food and nutrition insecurity appears to persist because the GoZ has struggled, and to a certain extent failed, to address its longstanding socio-economic and political woes over the past three decades. Food and nutrition insecurity also persists in Zimbabwe because the government has not been able to deal with the debt overhang, budget deficits, land reform, climate change, and post-harvest losses. Food and nutrition insecurity cannot be eliminated without the government addressing these problems satisfactorily. In order to address food and nutrition insecurity in the context of economic growth in Zimbabwe, it is imperative for Zimbabwean policymakers to pay
attention to increases in food prices as well as strategies to tackle climate change. Introduction of safety nets (increasing availability of food items to the poor), introducing technology that improves food production, improving value chains, improving extension services, introducing strategies to address post-harvest losses, addressing climate change, and the right policies and getting institutions to implement them are just some of the strategies that the GoZ can consider in tackling food and nutrition insecurity in Zimbabwe.

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