

Social Security in Zimbabwe

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ABSTRACT

This paper attempts to trace the historical development of social security in Zimbabwe and to explore the possible options for developing a comprehensive social security system. The paper postulates that the development of social security in Zimbabwe is inextricably linked to the country's colonial history. Racial discrimination in colonial Rhodesia led to the introduction of fragmented social security schemes (for the non-African population) — old age pensions, public assistance and occupational pensions for purposes of income maintenance in cases of involuntary loss of income. The same protection was not extended to Africans because it was assumed that their needs were simple and easily met within the peasant economy.

Although attainment of independence brought an end to all forms of racial discrimination, Zimbabwe still does not have a comprehensive social security system. A unique administrative framework could be set up to enable the rural population to participate in a contributory social security scheme and at the same time benefit from a non-contributory social security scheme. The success of such an approach depends on linking it to a strategy of rural development geared towards increasing the productivity of the poor.

Introduction

Although social security on a formal basis is a relatively new development in Africa, many governments are beginning to realise the importance of providing some form of social security to their citizens. Social security is defined as "the security that society furnishes, through appropriate organisation against certain risks to which its members are exposed" (ILO, 1942). The assumption behind the provision of social security is that an individual usually develops needs or wants which he may not be able to meet using his own resources, hence the need to mobilise resources external to the individual. Social security therefore aims at providing income-maintenance in circumstances where an individual's capacity to earn income is impaired permanently or temporarily.

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There are two forms of social security, namely social assistance and social insurance. Social assistance provides financial benefits to "persons of small earnings, granted as a right in amounts sufficient to meet a minimum standard of need" (ILO, 1942). Social assistance (also called public assistance) is non-contributory and is financed from general taxation. Applicants for social assistance have to meet three important conditions, namely political, economic and moral conditions. The political condition requires that social assistance be extended only to citizens of the country concerned and those granted permanent residence. Non citizens are usually awarded social assistance pending repatriation to the country of origin. The economic condition seeks to restrict assistance to those who are destitute and unable to meet their basic needs. Such assistance is only granted after it has been established that the applicant is unable to secure assistance from his family. The moral condition owes its existence to the Poor Laws which differentiated the deserving poor from the undeserving poor. The moral condition thus seeks to deny social assistance to people of questionable morality. Included in this category are people with a criminal history and those who voluntarily choose to be unemployed.

In many developing countries social assistance carries a social stigma in that recipients are often regarded as failures in society. This is further worsened by the attitude of many governments which tend to regard social assistance as a privilege and not as a right. Because of the scarcity of resources in developing countries not every destitute person can receive assistance and, therefore, those receiving social assistance become the 'privileged poor'.

Social insurance on the other hand is a financial scheme designed "to guarantee the wage earner and his dependants a minimum income during periods when through forces largely beyond his control his earnings are impaired or cut off" (Epstein, 1948). Social insurance is contributory and covers such risks as unemployment, sickness, invalidity and old age. Social insurance therefore seeks to provide social protection to the wage earner and his dependants against economic emergencies.

In social insurance the contribution is usually a shared responsibility between employer, employee and government. Unlike social assistance, benefits under social insurance are viewed by claimants as a right because they would have contributed towards their own social protection. Social insurance is governed by a legal instrument which clearly spells out how much one should contribute, the level of benefits and the circumstances under which benefits can be drawn. There is therefore no stigma attached to drawing benefits under social insurance.

In a nutshell social security is a scheme of income-maintenance in situations when an individual's earning capacity is interrupted. A social security scheme is meaningless unless beneficiaries feel secure under the scheme. The sense of security is only possible when the benefits given are adequate for the meeting

of basic needs. In addition social security benefits must be seen to be reliable.

In Zimbabwe, the traditional African society had its own time-tested system of social security or social protection. An individual's social, emotional and economic needs were met within the family set up. The family was thus a unique welfare system that offered support to its orphaned, aged, sick and destitute members. Membership was an important criterion for assistance, hence within the traditional set up emphasis was placed on developing an individual's sense of belonging and the creation of feelings of togetherness and solidarity among individuals who share a common kinship base.

The colonialisation of the country and the resultant process of urbanisation and industrialisation effected a change of relationship between man and his environment. The indigenous population were introduced to a money economy and thus became exposed to the risks associated with a money economy such as unemployment and industrial injuries. Consequently, there was a mass exodus of able bodied men from rural areas into the newly created urban areas. Once they were in the urban areas they had to develop new ways of relating to their new environment. Employers therefore took on some of the responsibilities of the family particularly in relation to the meeting of an individual's economic needs.

The colonial governments assumed that employment would enable individuals to meet their basic needs and at the same time protect themselves against such contingencies as sickness, old age or retirement. Unfortunately, the economy was unable to generate enough jobs for the urban population, resulting in massive unemployment and the consequent development of the informal sector. The informal sector cushioned the effects of unemployment since the participants of the informal sector were able to earn income through selling goods and services to people of limited means. The colonial governments felt there was no need to provide unemployment benefits to the unemployed as they were seen to be surviving. On the other hand those employed in the formal sector had no occupational pensions and consequently had nothing to fall back on after retirement or at the cessation of employment. The indigenous population was thus expected to return to their rural homes at the cessation of employment. As Clarke (1977) puts it, the rural areas were seen as a type of indigenous pension. The whites, on the other hand, were covered by occupational pensions, thus their post-retirement needs were reasonably well covered. The aged non-Africans had access to a means-tested old age pension scheme.

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Public Assistance

There is no Act of Parliament governing the operation of public assistance in Zimbabwe. However plans are underway to enact legislation on public

assistance. The Department of Social Welfare runs a public assistance programme which provides financial assistance to destitute members of society. The destitute members of society are those who do not have an adequate and reliable income necessary for the meeting of basic needs. The destitution may arise from such factors as old age, unemployment, sickness, disability, death or desertion of a breadwinner.

Initially the relief of distress among Africans was a responsibility of the then Department of Native Affairs, until 1965 when the function was transferred to the Department of Social Welfare. Assistance was only granted to the aged, blind and the sick upon being satisfied that applicants had severed links with their rural folk. Those whose links were still intact were repatriated to their rural areas.

Public assistance in Zimbabwe is available to all destitute citizens. Assistance is non-contributory and is thus financed from taxation. In addition, public assistance is means-tested in the sense that assistance is only granted to persons who are unable to get assistance from their families and those who can prove that they lack the income necessary for the meeting of basic needs. Public assistance is granted to persons who hold Zimbabwean citizenship or those who have been resident in Zimbabwe for at least one year. Non-citizens are usually given temporary assistance pending repatriation to their countries of origin.

A destitute individual can apply for public assistance at his District Social Welfare Office and the granting of assistance is usually dependent upon a home visit. The home visit enables the investigating officers to assess the degree of destitution. On the basis of the findings from the home visit a decision will be made as to whether or not assistance is to be granted. If an applicant gives unemployment as the reason for destitution he is often asked to produce evidence that he is actively looking for employment. The rationale behind this requirement is that it discourages the development of a dependency syndrome among claimants. In the urban areas those who are unlikely to secure employment because of lack of skills are encouraged to settle in the rural areas where they can engage in farming activities or they can be encouraged to participate in income-generating projects. The level of assistance is dependent upon individual and family need.

The level of assistance granted is usually Z\$15,00 per adult and Z\$5,00 per child (up to a maximum of six children). In addition a rent and fuel allowance is also granted and assessing officers are granted discretionary powers in determining the amount to be awarded. Assistance is payable in cash. The period of assistance ranges from one month to twelve months. However, a public assistance recipient may reapply for renewal of assistance if his circumstances have not changed for the better. Periodical home visits are however made by officers of the Department of Social Welfare to monitor the circumstances of recipients. Recipients of public assistance are also assisted

with the payment of tuition fees for their children attending secondary school. Public assistance is also extended to aged persons living in institutions. Per capita grants of Z\$45,00 per person per month are payable to the institutions. The cost of burying destitute persons is also met under the public assistance programme.

Not all destitute persons can get assistance under the public assistance programme because of limited resources. Government is therefore forced to tighten eligibility conditions in order to limit the number of eligible applicants. Although the Government has, since independence, adopted the policy of decentralisation of services, the offices of the Department of Social Welfare are not within easy reach of the peasants. The real poor people live in the rural areas yet these are the people who do not have easy access to the public assistance programme.

The procedures for applying for public assistance tend to be lengthy, forcing the poor people to withdraw prematurely since they can not meet the costs of the travelling involved (Kaseke, 1982). Furthermore the real poor are not even aware of the existence of the public assistance scheme. Very little publicity is given to public assistance as this will only serve to create artificial demand. The poor are therefore automatically eliminated for consideration under the public assistance programme.

A major weakness of the public assistance programme is that benefits given under public assistance are often inadequate to meet the basic needs of the recipients. In such circumstances it becomes impossible to use public assistance as a means of achieving self-reliance. Consequently, many public assistance recipients have tended to see the assistance as an end in itself thus creating a dependency syndrome.

The major problem surrounding public assistance in Zimbabwe today is that there is no statute governing it and as a result the public assistance scheme does not incorporate the rights and obligations of the applicants. Consequently, officials administering public assistance have to use discretionary powers to determine eligibility for assistance. This increases the vulnerability of applicants to the arbitrary decision of the officials.

Old Age Pension

Old age pensions were provided under the Old Age Pension Act of 1936. The Act "provided for non-contributory pensions for all non-Africans over the age of 60" (Clarke, 1977). Africans were excluded on the erroneous assumption that upon reaching old age they would fall back on the peasant economy for support. Africans in urban areas were regarded as temporary residents and were thus expected to go back to their rural homes upon reaching old age or upon the cessation of employment. The old age pensions were scrapped when Zimbabwe attained its independence. However, those who were receiving old age pensions before 18th April 1980 continue to receive their pensions. Today

non-Africans who become destitute on account of old age can be considered for assistance under the public assistance programme.

Workmen's Compensation

Workmen's compensation is governed by the Workmen's Compensation Act Chapter 296. Workmen's compensation provides financial compensation and where necessary rehabilitation to persons who become temporarily or permanently incapacitated as a result of occupational injuries. Financial compensation is also extended to the dependents of those who are killed as a result of occupational accidents.

The Workmen's Compensation Act does not cover domestic and casual workers but extends coverage to all workers whose monthly earnings do not exceed \$1 333,33. The act is administered by the Department of Occupational Health, Safety and Workmen's Compensation in the Ministry of Labour, Manpower Planning and Social Welfare. However, the administration of the Compensation Insurance Fund is a responsibility of the Workmen's Compensation Commissioner.

Workmen's Compensation is funded by employers through contribution rates determined by the Ministry of Labour, Manpower Planning and Social Welfare. These contribution rates are determined on the basis of the occupational risks involved.

The benefits paid under the Workmen's Compensation Fund include permanent disability pension, widows' or widowers' pension, medical and funeral expenses and rehabilitation. The Workmen's Compensation Act requires the employer to notify the Workmen's Compensation Commissioner within three days of the accident happening. A permanent disability pension is awarded to a worker who sustains permanent disability (injury of 75 per cent and above) as a result of an occupational injury. According to the Act children's allowances are also awarded with the first child receiving 12 per cent of the worker's pension and the subsequent children up to a maximum of five children receiving 5 per cent of the worker's pension.

A person who becomes widowed as a result of a work-related accident and was dependent on the deceased is eligible for a pension calculated at two thirds of what the worker would have received if he or she had sustained a 100 per cent disability. In the event of the widow or widower remarrying a lump sum payment equivalent to two years pension is paid and the pension terminated. Children, however, are not affected by the remarriage and the allowances will continue to be paid until they have reached 19 years of age.

In addition, the Workmen's Compensation Insurance Fund meets the cost of medical treatment up to a maximum of \$2 000 (ceiling to be exceeded only at the discretion of the commissioner). Funeral expenses are also met by the Fund up to a maximum of \$800,00.

Rehabilitation is an important part of the Workmen's Compensation

scheme. The Insurance Fund runs a rehabilitation centre for injured workers who require physiotherapy or training. Through this rehabilitation, injured workers are helped to acquire new skills or have their original skills restored.

War Victims Compensation

The legal instrument governing war victims compensation is the War Victims Compensation Act 1980 administered by the Ministry of Labour, Manpower Planning and Social Welfare. According to the Act, war victims compensation "provides for the payment of compensation in respect of injuries or the death of persons caused by the war". The beneficiaries are those people who sustain injuries or who were dependent upon a person who died as a result of the war. Only war-related injuries or deaths which occurred before 1st March 1980 are considered. The scheme is non-contributory and is financed by the State. This scheme is based upon the realisation that war injuries impaired claimants' capacity to earn income. Those who were dependent upon the persons who died as a result of the war had their source of support cut off hence the need for the state to intervene in providing income maintenance.

The Ministry of Labour, Manpower Planning and Social Welfare appoints a medical board to assess the degree of disablement, and this determines the level of compensation to be awarded. A disablement pension is calculated as follows:

- "(i) forty-five per centum of his earnings immediately prior to the date of his injury which are not in excess of seven thousand and forty one dollars per annum, and
- (ii) thirty per centum of his earnings immediately prior to his injury which are in excess of fourteen thousand and seventy-six dollars per annum" (War Victims Act, 1980).

These rates of compensation are specific to claimants whose occupation has not been affected by the injuries. Higher rates are however awarded to those who are forced to abandon their occupations because of injuries. The rates awarded in such circumstances range from 50% to 90% of earnings prior to injury. As a general principle the rate of compensation in circumstances where a claimant has to change occupations because of injury is dependent upon the level of earnings prior to injury, ie the higher the earnings the lower the percentage and vice versa. A widow's pension calculated at sixty per centum of the deceased's earnings immediately prior to his death is payable to the widow but is withdrawn when she remarries. As part of the rehabilitation effort, recipients of disablement pensions also receive assistance towards vocational training and medical treatment. The programme for the rehabilitation of ex-combatants, currently under review, has been carried out at Ruwa Rehabilitation Centre, near Harare.

As can be inferred from this discussion, war victims compensation reflects government's recognition of both the contribution of the injured and the

deceased towards the liberation of Zimbabwe and the inevitable disruption associated with a war of liberation. The war victims compensation must therefore be seen as an income maintenance scheme which apart from facilitating access to basic needs, facilitates the full and meaningful integration of the claimants in society thus creating opportunities for self-fulfilment.

Occupational Pension

During the colonial era occupational pensions for Africans were dependent on the goodwill of the employers. Colonial governments did not see the need for social protection against the contingency of retirement as Africans were expected to fall back on the peasant economy upon retirement. Occupational pensions were thus a preserve for non-Africans though the Public Service and a few companies provided occupational pensions to Africans. The operation of occupational pensions is regulated by the Pensions and Provident Fund Act 1976.

Employees contribute towards their occupational pensions with the employers usually matching the employee's contribution. Generally the rate of contribution by employees ranges from 5%-7% of an employees' monthly income.

Since Independence there has been a mushrooming of occupational pensions covering all racial categories. At the end of 1984 there were 617 824 persons covered by occupational pensions as compared to 338 775 members in 1979 (Report of the Registrar of Pensions, 1984). According to Mbanje (1986) the absence of the principle of transferability in most occupational pensions minimises the effectiveness of occupational pensions as instruments of social protection. Those persons who change employment often are disadvantaged as they are not entitled to full benefits under their occupational pensions. Thus when they resign such employees get a refund of their contributions as a lump sum payment, usually without the contributions from the employers. Since occupational pensions usually cover one contingency, namely retirement, occupational pensions cannot be used in isolation as an instrument of social protection. Thus an occupational pension has to be a component part of a comprehensive social security system covering a cross-section of contingencies, ie sickness, invalidity, unemployment, maternity, etc.

Some inadequacies of the social security schemes

The discussion so far has revealed that Zimbabwe does not have a comprehensive social security scheme. The schemes that are in operation, namely old age pensions, war victims compensation, workers compensation and public assistance, are specific to defined target groups. These 'target groups' form a small percentage of the entire population, thus the majority of the population remains uncovered by any social security scheme.

With respect to old age pensions, recipients are non-Africans who started

drawing old age pensions before Zimbabwe's attainment of independence. Because the old age pensions were racial in coverage the Zimbabwe Government had no option but to discontinue the scheme. The alternative would have been to extend coverage to include Africans but this alternative was not feasible in that the government did not and still does not have adequate resources to sustain such a scheme. Those who become needy as a result of old age can fall back on the public assistance programme.

Workmen's compensation on the other hand is confined to those workers whose earnings do not exceed \$1333,33 per month. Domestic and casual workers are not covered yet these categories constitute a sizeable proportion of those in paid employment. Domestic and casual workers are the most exploited and because of the absence of regular and equitable wages, these workers are unable to purchase their own private social security schemes. Consequently, they remain vulnerable to such contingencies as unemployment, sickness, occupational injury and old age. Similarly, informal sector employees have no access to the workmen's compensation scheme and have to make private provision for their social security requirements. Ironically, colonial governments viewed the informal sector as playing a social security role in the sense that it cushioned the effects of unemployment (Davis, 1979).

The discussion has also revealed that public assistance is the main social security instrument in Zimbabwe. It also caters for persons who are not eligible for assistance through the other social security schemes, namely war victims compensation and workmen's compensation. Public assistance therefore acts as a safety net. Furthermore, public assistance operates under very broad parameters in that it provides financial assistance to destitute persons. Destitution is often a relative term and consequently there is difficulty in determining degree of destitution. Persons can become destitute as a result of unemployment, sickness, old age, death or desertion of a breadwinner. Many people in Zimbabwe are vulnerable to the above mentioned contingencies and consequently persons in the 'destitution' category are numerous and would all require assistance under the public assistance programme. Public assistance, as has been mentioned earlier on, is non-contributory and is thus financed from taxation. The implication for this in Zimbabwe is quite serious in the sense that Zimbabwe does not have the financial base to sustain this programme. The government simply does not have the resources to provide public assistance to all destitute persons. Because of the economic realities in Zimbabwe public assistance can never be used successfully as the main instrument of social security.

Public assistance is seen as a means of propelling destitute individuals towards self-reliance and is thus not seen as an end in itself. However, weaknesses within the public assistance programme render the scheme ineffective in realising its objective. The major weakness, as discussed earlier

on, is lack of adequate resources. Lack of resources forces the government to provide public assistance on a very selective basis and this is done through tightening eligibility conditions (Kaseke, 1982). Thus the budgetary allocation in respect of public assistance is quite low when compared to the number of people in the destitution category. The scarcity of resources also necessitates employing a skeleton staff for the purposes of investigating and assessing applications for public assistance. The end result is that officers are overworked to the extent that it becomes difficult to attend to needy cases promptly. Such delays negate the objective of public assistance, namely relief from destitution and the consequent rehabilitation. It is quite common for some recipients of public assistance to continue to receive assistance even when their circumstances have changed for the better.

A second weakness of the public assistance programme in Zimbabwe is that the real poor do not have access to the assistance programme. This is so because social welfare offices are not located within easy reach of the poor. Although since independence the government has been making serious efforts to decentralise, a lot still remains to be done in order to improve access to the services. The poor in some districts still have to pay a significant amount in bus fare to get to the nearest district office, yet the real poor cannot even raise the bus fare. The implication is that the real poor are automatically excluded from public assistance. The people who are likely to benefit are those who are relatively better off. What this means in real terms is that the poor have no access to any social protection measures and thus remain vulnerable to such contingencies as unemployment, drought, old age and sickness.

A third major weakness is the lengthy application procedure that applicants have to go through. An application for public assistance necessitates two or more visits to the district office before assistance can be secured.

The real poor will be expecting prompt action geared towards gratifying an immediate need. The lengthy procedures tend to discourage the poor people who are thus forced to withdraw prematurely. There are some who argue that those who withdraw prematurely do so because they are not destitute in the real sense. However, one must not forget that destitution tends to create blocks in people and thus the people lose confidence that something can be done about their destitution. After all they would have tried the so called 'normal channels' for sustenance. In addition, the low probability of getting assistance because of the strict means test tends to discourage many destitute people from applying.

A fourth weakness of the public assistance programme is that the assistance granted to destitute persons is too little to enable the recipient to meet his basic needs and at the same time propel the recipient towards self-reliance. The present public assistance programme therefore does not play a rehabilitative role and as such creates a dependency syndrome among recipients. The low level of awards is inextricably linked to lack of adequate resources. Despite the

lack of resources the government should adopt a developmental approach to public assistance. One way in which the government can adopt a developmental approach is by linking public assistance to job creation schemes. Under the job creation scheme the government could give financial assistance to destitute persons wishing to launch income-generating projects. The assistance could include a grant and a loan. A revolving fund can thus be established for the benefit of all destitute persons. Developmental public assistance has been used with great success in the Philippines to the extent that destitute persons are rehabilitated to become successful entrepreneurs.

The last major weakness of public assistance is its bias against the rural population. In my own opinion, the real poor and destitute live in the rural areas yet they have limited access to public assistance. Very often the rural poor have their applications for assistance turned down on the assumption that they can meet their needs within the peasant economy (Kaseke, 1982).

The bias against the rural population is further aggravated by the rural population's lack of access to information. The real poor are often illiterate or semi-literate, have little or no access to vital information and are in most cases unaware of the existence of the public assistance programme. There is little publicity given to the public assistance programme for fear of increasing the numbers of applicants for public assistance in the face of limited resources. The government therefore needs to improve access to information in respect of the rural population. Access to information is dependent upon imparting functional literacy and numeracy. This is of great importance particularly to a government pursuing a socialist ideology whose cardinal objective is the creation of an egalitarian society.

Future prospects

The twin processes of urbanisation and industrialisation will continue to characterise the development process in Zimbabwe. The process of urbanisation has the effect of drawing people from the rural areas into urban areas and thereby forcing the migrants to adopt new ways of relating to their new environment. People thus become more and more dependent on the wage economy as the source of sustenance. In addition to the dependence on the wage economy there is also a gradual weakening of the extended family thus minimising the effectiveness and usefulness of the extended family as an agent of social support. One can therefore rightly argue that it is the process of development that creates risks and engenders feelings of uncertainty and insecurity. Under such circumstances it is necessary for government to institute measures that would contain the risks to which its people are exposed. The need for a comprehensive social security system in Zimbabwe can therefore not be overemphasised. People in wage employment are also subject to the ill-effects of unemployment, sickness, old age or retirement. The peasants on the other hand are vulnerable to natural disasters such as drought.

There is therefore need to extend coverage of social protection to include all categories of the population.

An analysis of the historical development of social security in Western Europe shows that social security has always been designed to meet the needs of wage earners in the first instance (Midgley, 1984). Consequently, great responsibility has always been placed upon wage earners to contribute towards their own social protection. In addition, society also places an obligation on employers to contribute towards the social protection of their employees. Social security in developing countries has therefore been largely contributory in character. In Zimbabwe, the contributory aspect of social security has only been instituted in relation to occupational pensions. Although occupational pensions provide social protection in respect of post retirement needs it does not protect the worker against permanent or temporary loss of income through such contingencies as unemployment, sickness or invalidity. The principle of contribution inherent in occupational pensions needs to be extended to cover such areas as unemployment insurance and sickness insurance. Although workmen's compensation covers injury insurance there is still need to extend coverage to all categories of employees including domestic and casual workers.

Social insurance has a positive contribution to make towards national development in that social insurance funds can be borrowed to finance development programmes. In addition, social security in general can positively influence demographic patterns in Zimbabwe particularly in view of the fact that the majority of the population still views children as a form of social protection at old age. Social security facilitates redistribution of income in that persons experiencing such contingencies as unemployment, sickness, injury, etc benefit not only from their own contributions but from the totality of contributions of all insured persons. In view of the big disparities in incomes and wealth in Zimbabwe the adoption of a comprehensive social security system would enable people to meet their basic needs. This in itself would increase the purchasing power of the people and ultimately lead to increased demand on commodities and thereby activate local industry.

In asking employers to contribute towards the social protection of their employees there is the danger that employers may pass on the costs to the consumers. In most cases the consumers (the bulk of whom are peasants) end up subsidising the costs of social security of those in formal employment. Such social injustice is obviously unacceptable in a country pursuing a socialist ideology.

The Government of Zimbabwe has announced its intention to introduce a comprehensive social security system for all workers. The ILO did a feasibility study in 1983 on the introduction of social security as opposed to adopting the provident fund approach which has been used by many African countries such as Kenya, Zambia and Ghana. The provident fund approach is unacceptable since it does not provide regular and continuous income maintenance. It is

anticipated that the national social security scheme will be compulsory for all workers and that private pension schemes would operate as supplementary schemes. The national scheme will thus be contributory in character and provide protection against the contingencies of old age, invalidity and work-related injuries. On the feasibility of introducing unemployment insurance the ILO (1983) argued that "it is not possible to recommend that a contributory scheme of unemployment benefit is an appropriate branch of social security for Zimbabwe to adopt at the present time". In saying this the ILO had taken cognisance of the significant unemployment problem and that it would be difficult to make the scheme self-supporting since the contributions can only be placed in short and medium term investment unlike a pension fund which can be placed in long-term investment.

A major constraint in instituting social insurance is the fact that those in wage employment constitute a small percentage of the entire population. Consequently, people who can contribute to a social security scheme constitute a relatively insignificant proportion of the population. This therefore calls for an alternative form of social security for the majority who are unable to contribute regularly towards a social insurance fund.

Adequate resources financed through general taxation should be allocated to a social assistance vote. Social assistance will not be effective unless there is legislation that clearly spells out eligibility conditions, rights and obligations of recipients. The legislative instrument will need to place social assistance within a developmental framework. In essence, this means viewing social assistance as a means towards self-reliance. There is need for social assistance to ward off the development of a dependency syndrome and for this to happen social assistance must go beyond the welfare label. Social assistance must take the form of 'workfare' which in essence means linking social assistance to the creation of real opportunities for earning income. This will be a necessary development because the government's resource base makes it impossible to provide an adequate and reliable social assistance scheme.

Although communal farmers do not have an adequate, reliable and regular source of income they should also be considered for participation in a contributory social security scheme. Because communal farmers get their major income after marketing their produce, it becomes imperative to develop a unique administrative framework quite different from those adopted by developed countries. One would therefore propose that Zimbabwe should look into the possibility of introducing a contributory social security scheme for communal farmers to be administered alongside a non-contributory and means-tested social security scheme. In recommending the introduction of a contributory social security scheme one is assuming that communal farmers would be able to produce enough for sale. Every effort must therefore be made to increase the earnings of the communal farmers through increasing their productivity. Thus the introduction of a contributory social security scheme

must be linked to a rural development strategy geared towards improving agricultural performance and at the same time guaranteeing the meeting of basic needs.

The rural development strategy should focus on land reform, improving access to extension services and credit facilities and general infrastructural development. Once this takes place there is a greater probability that communal farmers will produce enough for both their consumption and for sale.

In order to ensure that contributions are collected it will be necessary for every communal farmer to market his produce through a central marketing authority, namely the Grain Marketing Board, which will be tasked with the responsibility of making deductions. Alternatively, the government could encourage cooperativisation which allows for the pooling of resources and thus maximises efficiency and profits. Each cooperative will then be expected to pay contributions in respect of the social security requirement of its members. This strategy can be extended to include informal sector employees.

Obviously in the initial stages communal farmers will not be able to finance their own social security scheme. Under such circumstances it becomes necessary for formal sector employees to subsidise the social security scheme for communal farmers. It is a matter of social justice that this be done considering the contribution of communal farmers towards gross agricultural output and resultant foreign exchange earnings. Despite this impressive contribution, communal farmers do not benefit proportionately as the benefits are largely enjoyed by those in urban formal employment. The profits realised as a result of the contribution of communal farmers must be ploughed back to finance a social security system for communal farmers.

The processes of urbanisation and industrialisation have resulted in a gradual weakening of the traditional support systems. People are becoming more and more dependent upon a wage economy. As the country finds its way towards development and economic growth it is inevitable that there will be casualties littered along this path. The casualties are those who experience a permanent or temporary impairment of earning capacity thus rendering them unable to benefit from the wage economy. There is need to establish a comprehensive social security system to deal with contingencies associated with a wage economy such as old age, invalidity, sickness, unemployment, etc. Such a social security system not only provides income maintenance in cases of involuntary loss of income but also offers scope for vertical redistribution of income and the creation of an egalitarian society. An effective social security system must be perceived by beneficiaries as being adequate and reliable. This is a mammoth task for government to undertake, but given a political will sustained by socialist principles and objectives the problems are certainly not insurmountable.

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