

## Senator Michael Carter's Speech to the Senate

Written by Administrator

Saturday, 16 May 2015 22:05 - Last Updated Saturday, 16 May 2015 22:05

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5ht May 2015

The concept of the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZIM-ASSET) was at the centre of the President's Speech. ZIM-ASSET is an appealing idea that needs US\$27 billion to implement. Proof of its success, will be the creation of 2 million jobs. Job creation is the result of a growing economy. Sadly, it is not something that Zimbabwe has at the moment. A growing economy cannot be forced; it depends on a political and economic climate which is trustworthy, enabling and has integrity.

At the heart of ZIM-ASSET, there is a need to attract foreign-direct-investment, but this is difficult and is only partially working. The reason is that we are not providing what investors seek. They seek security and growth for their investment. This is exactly the same climate which local business requires. It is not different whether you are local or foreign, you will need the same environment for your business to be secure and for it to grow. The fact that local businesses are shrinking means that we are failing to provide the correct climate for them to succeed.

Government is literally taxing them to death as the Minister cannot balance his books. Therefore, we have the danger of the State and business becoming hostile to each other. The Minister of Finance and Economic Development as well as the Governor of the Reserve Bank of Zimbabwe are seeking to rebuild the integrity of our financial institutions. They deserve political support.

I met a friend recently who wants to buy a brick –making machine from China and he would like to bring it back here where his home is. However, for him to import it to Zimbabwe will cost him 45% of tax on the price of that machine. Instead, if he takes it to Botswana, he can take it there for free, he does not get taxed at all. Sadly, his decision will be to take it to Botswana and set up a new business there. Government needs to create the environment to allow the re-building of local businesses. If we can provide an investor-friendly environment for local businesses, it will be strange but very interesting because then, foreign-direct-investment, as if by magic, will start to come in because they will

see that the environment here is promoting locals and they would want to be part of it.

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For local businesses to flourish, we need to provide equality before the law and secure property rights which are the foundations for growth. Do we provide a level playing field for all our citizens before the law? Sadly, we have not yet arrived at that point. The result is that we are not accountable enough to attract foreign investment or to enable our local businesses to flourish and sadly, corruption continues.

We have a long list of financial scandals which were motivated by political patronage. Do we have secure property rights? Certainly not in the agricultural sector.

Agreement amongst politicians is needed, just five things to promote growth and ZIM-ASSET could begin to be implemented;

1. Development must be our main priority and we must create a domestic investor-friendly environment.
2. To attract foreign-direct-investment, we need this domestic-friendly environment first of all, but then we also need to be regionally competitive. Therefore, we have to look at the region and be more attractive than our neighbours.
3. Thirdly, this is what I proposed in my motion last year which found some sense of feeling, but sadly did not go through but I still believe it; agricultural land requires security of tenure. Security of tenure on the agricultural land will empower farmers; it will relieve poverty, increase production, restart the manufacturing sector and begin the economic recovery of our nation. Zimbabweans are sufficiently educated, intelligent and mature enough to have the right to own agricultural land.
4. We need to get serious about corruption and accountability needs to become a value that we all cherish, not something we just speak about. Sometimes, when there is a clash between loyalty and accountability, the truth is not told because loyalty is a higher value than accountability or honesty. If people want to be accountable they have to be truthful.
5. Lastly, we need to include all the tribes of Zimbabwe, including the whites and the brown

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tribes as equal before the law and part of the vision for Zimbabwe.

Madam President, these things are achievable and are similar to those confronted and overcome by most successful companies and countries.