Economists Say Zimbabwe Now Ranked Among Top Poor Nations

Chris Gande

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Washington — Once described as southern Africa's breadbasket, Zimbabwe is now ranked among the poorest countries in the world with the highest inflation rate in the world, second only to Venezuela, according to some economists.

The past two decades have seen the country in constant crisis. But is there a way out of this predicament? This was the question that a panel of experts at the Washington DC-based think tank, Cato Institute, tried to answer on Monday at a public discussion.

According to senior political analyst, Marian Tupy, who was also the moderator, Zimbabwe "continues to remain relevant not only to its people but also for the sake of other African countries that are trying to see what kind of political and economic arrangements they should follow in order to become prosperous in the future."

In his contribution, panelist and journalist, Barry Wood said tragic mismanagement, particularly the last 17 years of former president Robert Mugabe's rule is what the country has to face and find ways of coming out of it.

Wood added that it will take time for the nation to revitalize its economy, once regarded as one of the most vibrant economies in the Southern African Development Community and beyond.

On sanctions, Wood said it is difficult to remove them because Zanu PF is corrupt and will do anything to stay in power.

He added that the government is divided and corrupt.

Senior fellow at the Cato Institute, Steven Hanke, said according to the International Monetary Fund (IMF) World Economic Outlook Database, Zimbabwe is a very poor country and is ranked number 161.

He said Zimbabwe should apply the 'Singapore method' in which the country should do away with its surrogate currency, refuse foreign aid, minimize tax, ensure civil rights and create minimalist high quality transparent government.

Senior fellow at the Cato Institute, Gyude Moore, a former cabinet minister in Ghana, said it was difficult to see why African institutions like the African Union and SADC are not helping Zimbabwe's economic revival.

He said these institutions could rather send one of their leaders to talk to Zimbabwe leaders instead of drawing a red line.

He said sanctions in Zimbabwe are hurting the general populace instead of the intended leadership.

He added that Finance Minister Mthuli Ncube, who was also present at the presentation, was probably the best choice but the question is whether he is given space to implement his ideas.

On his part, Ncube said it was pertinent that the issue of inflation be looked at carefully because what is being used are wrong figures.

The panel agreed that the road to economic recovery for Zimbabwe lies in the removal of sanctions.