



Theme: POWER TO PEOPLE

Features

- Freeway – Keys
- Rwanda's Laptop Revolution
- Mobile Marvels
- Banking by Mobile Phone
- Lessons from Kenya
- Votes or Money?
- Let the Masters be Served
- Quotations of the month
- The Fall of the Berlin Wall
- Ideas for a Free Society
- Website

ZIPPA Board: Muyunda Mwanalushi (Chair), Jonathan Chileshe (V/Chair), Murray Sanderson (Exec. Sec.), Wilphred Katoto (Hon. Treas.), Ernest Beele, Mary Kakumbi, Charles Lungu, Chearyp Mkandawire-Sokoni, Sara Ngulube

Freeway Keys

This issue of the journal on the theme 'Power to people' comes as we enter a new decade. Power for what purpose? Power for each person to achieve his or her goals. We all crave this power. It comes not in the form of hand-outs, but of keys - keys which can open doors to opportunities for meeting the needs of other people, and thereby meeting our own needs. Where can such keys be found? All around us, if only we have eyes to see them and the determination to grasp them.

As well as determination, we need ability. That requires training and education. This issue contains excerpts from a recent article in *The Economist*, 'Rwanda's laptop revolution', which reports an exciting new development in that country. Ought Zambia to follow Rwanda's example?

Mobile phones have brought a revolution in communication, as is described in 'Mobile marvels', also from *The Economist*. This recounts how cell phones have opened countless new doors to opportunity. One major area is the ability to access and monitor banking easily and affordably, and even to transfer money between individuals without recourse to banks. Details of this major new development are contained in two other articles, which cover M-PESA in Kenya and Xapit in Zambia. Also touched upon is the way in which our rural areas will soon have access through cell phones to vital advice and information concerning health, agriculture

and markets.

We in Zambia tend to expect the government to initiate economic developments, and to wait for this to happen. That is an illusion, as is explained in another article, 'Votes or money?' The much debated 'market' in a world of earning and spending provides keys to countless doors of opportunity which individuals can access daily.

Entry through these doors is, however, often restricted by bureaucracy. This is where the movement to improve government services through implementing customer service charters could be of great value. Finally, an article written by a Zambian working abroad tells us how charters function in other countries, and could also work in Zambia.

Let us not wait for hand-outs. That is not the way to empowerment. We need instead to look for, and then to grasp, the keys to opportunity.

Rwanda's Laptop Revolution

(Excerpts from 'The Economist' 5.12.09. With permission)

Technology is the core of Rwanda's plan to transform its economy by 2020. By 2012 it wants every child in the country between the ages of 9 and 12 (1.3m in all) to have a laptop, each with an internet or intranet connection to download free educational software and electronic books. "We estimate the start-up cost will be \$313m," says Richard Niyonkuru of Rwanda's education ministry. If all goes well, the programme will embrace

children between six and eight by 2015.

The supplier will be One Laptop Per Child (OLPC), and American charity which has been trying for years to push cheap and robust laptops into primary schools in poor countries. Rwanda has ordered an initial 100,000 laptops at \$181 each.

By 2012 the Rwandans want to be supplied with more advanced laptops that OLPC is developing. These will be made from a single piece of plastic. They will be waterproof, harder to break, have colour screens, yet could cost as little as \$75 each. With prices that low, say the Rwandans, children might be able to keep one laptop through their entire school career. Schoolwork, textbooks and a library of other books and applications would be stored in them, with screens designed to be readable in bright sunshine and to use minimal power in huts without electricity.

Rwanda's austere president, Paul Kagame, believes the initial outlay will be worth it. How else, he says, to produce the 50,000 computer programmers the country wants by 2020? OLPC says its research in Rwanda and elsewhere suggests that children work harder and think more creatively with a laptop. They appear to escape the drudgery of rote learning, the curse of many African primary schools, though some educationalists think laptops stunt interaction between children in class.

If the scheme is to be profitable, software will eventually have to be written to link computers to omnipresent mobile phones. Money must also be found to keep updating the laptops. On the plus side, the project's proposed scale means that small business will spring up to charge, repair and enhance the machines.

Rwanda thinks it can also use laptops to improve government services. The laptops could then move the country seamlessly into electronic government. That, at any rate, is the hope.

Mobile Marvels

(Excerpts from 'The Economist' of 26 September 2009. With permission).

The mobile service which is delivering the most obvious economic benefits is money transfer, otherwise known as mobile banking. It has grown out of the widespread custom of using prepaid calling credit as an informal currency.

The biggest success in this field is M-PESA in Kenya, which has become the most widely adopted mobile-money scheme in the world. Launched in 2007 by Safaricom, Kenya's largest mobile operator, it now has nearly 7million users. It has become wildly popular and is used to pay for everything from school fees to taxis.

Roughly \$2m is transferred through the system each day, with an average amount of \$20.

Making it easier, quicker and cheaper to transfer money has enormous social and economic benefits. Commissions are lower, and recipients no longer have to pay for transport to towns to make withdrawals....In rural households that have adopted rural money, incomes have increased by 5-30%, according to a researcher who has studied M-PESA in detail. M-PESA is also used as a form of savings account, even though it does not pay interest.

"A year ago most banks were scared - they were seeing the mobile guys taking their lunch away," says Dare Okoudjou, head of mobile money at MTN. But now, he says, some banks have realized that teaming up with a mobile operator to launch a mobile-money service will allow them to reach many more customers.

MTN's launch of a mobile money service in Uganda, in partnership with Stanbic Bank, provides further cause for optimism....According to Consultative Group to Assist the Poor (CGAP) there will be over 120 mobile money schemes in developing countries by the end of 2009, more than double the number in 2008.

Farmer's Friend is one of a range of phone-based services launched in Uganda in June by MTN, Google and the Grameen Foundation's "Application Laboratory". Its agricultural information service accepts text-message queries such as 'rice aphids', 'tomato blight' or 'how to plant bananas', and dispenses relevant advice from a database compiled by local partners. More complicated questions ("my chicken's eyes are bulging") are relayed to human experts, who either call back within 15 minutes or, with particularly difficult problems, promise to provide an answer within four days. These answers are then used to improve the database.

'Frederick Makawa is thinking about tomatoes. It is late June and the rainy season is coming to an end. He sends a text message to Farmer's Friend to ask for a seasonal weather forecast for the region. Before long a reply arrives to say that moderate rainfall is expected during July. Mr. Makawa decides to plant his tomatoes.

Grameen's collaboration with MTN and Google in Uganda is just one of dozens of services across the developing world that offer agricultural, market and health information via mobile phones.

The next task, says Mr. Toure, of the International Telecommunications Union, is to ensure that everyone who wants to can use mobile technology to access the internet. He predicts that this will be done by using low-cost laptops, or netbooks, connecting to the internet via mobile networks. "Mobile broadband will become a global phenomenon - it will be the dominant form of

broadband”, says Informa's Mr Jotischky. Mobile phones, it seems, are the advance guard for mobile-broadband networks that will extend internet access to the whole of mankind.

Access to the internet can provide an even bigger boost to economic growth than access to mobile phones. But to make the most of the internet, users have to have a certain level of education and literacy. Its effect on development may be greater in the long term, but is unlikely to be as sudden and dramatic as that of the spread of mobile phones in the first decade of this century.

Banking by Mobile Phone

By Mark Wiessing

Mobile phones have transformed all societies, but especially those in emerging markets, where cell phones have enabled millions to gain access to telecommunications for the first time.

The next stage must be to transform access to banking services. This has now reached Zambia through Zambia National Commercial Bank Plc, known as Zanaco and partially owned by Rabobank of the Netherlands. Zanaco recently launched Xapit, the country's very first mobile banking platform, and already well over 50,000 new customers have responded to the new system. Through Xapit the bank is reaching out to the very large proportion of the population which remains 'unbanked', while also improving its service to existing customers.

Throughout Zambia with its 12m population there are only 800,000 consumer bank accounts. The key reasons behind this low banking penetration include low incomes, a large informal sector, high banking costs and the remoteness of branches in rural areas. The high cost of running these outlets has made it uneconomic for banks to increase their number. This has led to the belief that most people without bank accounts are 'unbankable'.

However, Zambia has some 3.5m mobile-phone users. These are people with both the financial resources to purchase and use phones and the need to communicate. They probably have some financial income, and, though they may not be formally employed, they do require financial services. How can their needs be met? Zanaco has come up with a solution - mobile phone banking through Xapit.

Any customer who signs up with Xapit can view account balances, pay utility bills, buy airtime and transfer funds to third parties, whether at Zanaco or another bank. This service is available 24 hours a day through any model of cell phone.

Travelling agents enable new customers to open a Xapit

account without travelling to a Zanaco branch. Recommendations or utility bills to prove residence are not required. A National Registration Card as proof of identity is all that a new customer needs. And there is no minimum balance.

But how to sell this service to new customers? Zanaco has developed its business model around the principle that the bank comes to its clients, instead of the other way around. Its appointed agents go out to shopping centres, markets, universities or special events outside the branch, often in remote locations, to sign up customers for this new product, which is both more convenient and cheaper than a traditional account. Customers signed up at these locations buy a 'starter pack' on the spot. Their cell phones are Xapit enabled, and their new bank account is activated, together with Visa card and PIN. The whole process is facilitated by technology, with account opening form, photograph, documents, etc. all captured on the agent's high-end cellphone and transmitted via multi-media messaging.

Originally designed for the 'unbanked', the mobile-banking feature is also of great interest to existing customers who may lack internet banking facilities, yet wish to avoid the inconvenience of traveling to the bank. It enables them to view their balance, buy airtime, pay utility and satellite TV subscriptions and make transfers to suppliers.

The Xapit solution has also aroused great interest among breweries, pension funds and other large organizations which need to receive or to pay numerous amounts. Suppliers of beverages or goods no longer have to depend on risky collections by delivery truck drivers, while the bank sends sales teams to enable new pensioners to open accounts on the spot. Xapit has improved Zanaco's service to existing customers, and it has attracted many new ones. These successes are gratifying. But most of all we are proud at the way this new technology has empowered tens of thousands of Zambians who were formerly strangers to banking.

Author: Mark Wiessing is Chief Executive of Zambia National Commercial Bank Plc

Lessons from Kenya - Expanding the Financial Services Sector

By Mwangi S. Kimenyi and Njuguna S. Ndung'u
(A shortened version of an article published by The Brookings Institution in October 2009. Reproduced with permission)

Most households in developing countries lack access to financial services. This impedes growth and development, for such access is crucial to economic growth and poverty reduction. Yet in Sub-Saharan Africa

it is available to only 1 in 5 households. In 2007 over 70% of Kenyan households did not have bank accounts. In 2006 there were only 35 bank branches in Benin, a country with a population of 7 million. This lack of formal financial services restricts market exchanges, increases risk and limits opportunities to save. Without formal financial services, households rely on informal services with high transaction costs. Thus, increasing access to formal financial services remains an important policy goal. Even for those with bank accounts, physical distances to branches add greatly to transaction costs.

In Kenya the last three years have seen dramatic changes in the financial sector. First, commercial banks recognized that lowering barriers to entry can multiply retail accounts. Second, banks realized that lowering costs of transactions across bank accounts attracts more customers. The resulting changes have increased the number of bank accounts from 2.3 million in 2006 to 6.7 million in July 2009. Despite this growth many Kenyans still lack access to financial services.

Technological innovations have now made financial services available to millions of poor people at relatively low cost. In particular, mobile phone money transfers allow phone users to make financial transactions across the country at low cost. Kenya's mobile payment service, known as M-PESA, provided by the main mobile phone company, Safaricom in conjunction with Vodaphone, represents a good example of how low-cost approaches that use modern technology can expand the financial services frontier. Today millions of Kenyans use M-PESA to make payments, send remittances and store funds for short periods. Persons without bank accounts are able to use this service, at low risk and cost. Kenya's M-PESA is probably the most celebrated success story of mobile banking in a developing country. What started as a mobile money transfer has become a success story of financial services development.

Although M-PESA has expanded at an extremely fast pace, access has not been achieved at the expense of financial stability. Expanding access need not result in instability if appropriate regulatory and supervisory safeguards are in place. The success of M-PESA is as a result of several factors, of which the primary one is creation of an enabling environment through prudent oversight that guarantees the simultaneous achievement of access and financial stability.

Growth and significance of mobile phone banking to the Kenyan economy

M-PESA was introduced in March 2007. At inception it operated on one commercial bank platform, but it has since moved to other banks. This shows that it has led to financial sector growth, rather than contribute to risks and instability.

In July 2007 there were 268,499 registered M-PESA

customers, and by July 2009 the number was 7,387,980. This is about 21 per cent of the population of 35 million. Also impressive was the increase in the number of monthly transactions, which increased over the same two years from 354,298 to 16,747,419. Their total value rose from \$14.2 million to \$535.6 million. These numbers show remarkable growth in mobile payments, but also an impressive level of safety. This financial service with low value and high volume has also generated substantial returns and created job opportunities. The minimum payment per transaction is Kshs 35 (\$0.46), and currently M-PESA has about 12,300 agents.

The significance of mobile banking to the Kenyan economy is better captured by looking at the value of M-PESA transactions relative to commercial bank deposits, and also the country's gross domestic product (GDP). In July 2007 the value of M-PESA transactions was about 0.17 percent of commercial bank deposits. In July 2009 it was 4.36 percent. Kenya's annual GDP in 2008 was estimated at \$30.24bn. Yet M-PESA transactions during the month of July 2009 alone accounted for \$535m. Clearly, mobile banking is a significant aspect of the Kenyan economy, and it is still expanding.

There have also been significant cost savings. Money transfers to pay for services, including weekly labour in remote parts of the country, have transformed life in rural Kenya and revolutionized the national payments system.

Lessons from Kenya's mobile banking

Mobile banking in many other countries has not met the success recorded in Kenya. What lessons can we learn from Kenya's experience?

Conducive environment for private sector

During the 1990s Kenya lagged behind some African countries, such as Tanzania, in mobile phone penetration. This was mainly because of official barriers to entry. However, this changed when the government enabled competitive supply of mobile telephony, especially through dismantling the state monopoly. The Kenya Communication Act provided an environment that has facilitated reforms in the telecoms sector and has seen mobile telephony expand exponentially, providing a base for successful mobile banking. The mobile phone penetration rates increased rapidly, starting in 2000, while the cost of mobile telephony decreased sharply. In 1999 there were 15,000 mobile phone subscribers. The number of subscribers had increased to 3.4 million in 2004 and to 16 million in 2008. Other aspects of Kenya's private sector environment that have helped in the expansion of the mobile phone market and mobile banking include an increasingly efficient tax system and a stable legal structure governing both domestic and foreign investment. In addition current development planning emphasizes that

economic development will be driven by innovation.

Private-public policy dialogue

A major shift in policy making has been the opening up of dialogue with the private sector. In the process of introducing new technologies such as M-PESA, the private sector and relevant government authorities have consulted to ensure that providers receive support from government. It is critically important for countries to engage with the private sector.

In implementing policies on mobile telephony and banking in Kenya, the role of private sector advocacy has been appreciated by the relevant authorities.

Balance access with stability

Kenyan policy has been to allow technological innovations in mobile banking, but under prudent monitoring and review, so as to ensure that the integrity of the financial system is maintained. The Central Bank of Kenya (CBK) was proactive in this. On its advice legislation was amended to strengthen the central bank's role in regulating and supervising the system for payment, clearing and settlement. At the institutional level CBK has enhanced its capacity to keep abreast of innovation and technically driven financial services. This has made it possible to increase access to financial services while maintaining stability.

Ensure a contestable market

The rapid expansion of M-PESA underlines the risk that the market could be dominated by initial entrants. Nevertheless, the best strategy is ensuring that other providers can enter the market for mobile banking. In a contestable market, even if there are only a few providers, the threat of entry is sufficient to protect consumers and ensure competitive pricing.

The rapid growth in Kenya of mobile phone banking demonstrates the great need for low-cost financial services in developing countries. This growth is expected to continue and to benefit other sectors of the economy, and thus to contribute to economic growth.

Authors: *Mwangi S. Kimenyi*, Senior Fellow, Africa Growth Initiative at Brookings. *Njuguna S. Ndung'u*, Governor, Central Bank of Kenya.

Votes or Money?

By Murray Sanderson

Economic Empowerment, what's that? It's the term used in Zambia for government loans to entrepreneurs. Impressive though it sounds, it is no revolution, except for those entrepreneurs fortunate enough to receive soft loans.

'Power to the people' sounds more robust. Surely that means democracy, the political system which empowers the masses to choose their country's government.

Democracy ensures regular elections, through which every adult citizen has the right to elect the members of national and local assemblies. That right confers plenty of power, or does it?

Democracies hold elections every few years, when citizens vote for their chosen candidates. What happens next? Well, many candidates fail to get elected, so their supporters lose out. They must then wait another 5 years or so for their next chance to influence the government. And the voters whose candidates win? Well, they too can lose out if their candidate belongs to a minority party, and is therefore not part of the government. What if their elected candidate belongs to the majority party? Then they can really celebrate success. But what is the practical outcome? We all know that political parties, having promised the earth - or heaven itself - in order to get elected, rarely fulfill their promises. In short, the chances of obtaining one's wishes through politics are remote.

So should we ignore politics and refrain from voting? Certainly not; for voting is an essential means of protection against bad government. We should participate, but without being unduly hopeful. While taking an active part in the electoral process, let us not pin our hopes on politics. If a government provides protection from crime, reliable courts, reasonable infrastructure, and dependable schooling and health care - that is as much as democracy can hope to achieve in today's Africa.

Fortunately there is another way for individuals to obtain their wishes - through money. Admittedly, money is always short. Few of us have as much as we need or want. But most of us have enough money to make some daily choices, and to do so successfully. In the market each woman can 'vote' for the style and colour of her dress, and get her choice. In politics she would have to accept the choice of the majority, or simply lose out.

Economic choices are closely linked to financial means. In politics all are equal: each person has the same power to vote in elections. Yet political choices come rarely, and victory itself may produce no more than a feeling of elation, like the boost we get from the success of our favourite football team. The power of economic choices is not evenly distributed. But nor is it fixed: it can often be expanded through effort and ingenuity. Most important, there is no time regulation: we can make choices, not just occasionally, but again and again on a daily basis.

Which would we rather have and use, votes or money? Fortunately we need not choose: we can have both. But choices enabled by money are far more frequent, and, for most of us, far more empowering than choices made through the ballot box.

Author: *Murray Sanderson is Executive Secretary of ZIPPA*

Let the Masters be served

By Chisenga Puta-Chekwe

Those who live in democracies have regular opportunities to choose their political leaders. These leaders, together with appointed officials, share the duty to act as servants of the people. Political campaigners make, often extravagant, promises as to what they will do if elected. These campaign claims are necessary because governments everywhere in the world are expected to provide services to their people. Election manifestos are therefore formal promises regarding future service provision and delivery.

Despite efforts to expand the private sector and reduce the size of government, the duty on administrations to provide services has increased. Many countries now undertake to provide rights covered by the United Nations International Covenant on Economic, Social and Cultural Rights. Among these rights are health care, basic education, the supply of clean water, the provision of identity documents and of countless licences and permits.

Apart from the type and number of services provided by government, there is also the matter of how these services are provided. Any society committed to the ideal of democracy and fair play must establish transparent rules that govern the manner in which services are to be delivered, in order to ensure equity. Without clear rules persons with relatives or friends in positions of authority will get the services, while those without connections may either have to do without, or to provide incentives to public officials for services they ought to be entitled to, creating a breeding ground for corruption.

This subverts the relationship between citizens and government. The government now becomes the master rather than the servant of people. For this reason a number of democracies like Ghana and Canada have developed standards set out in service charters. The Ghana Health Service charter of service declares that "the Ghana Health Service is for all people living in Ghana irrespective of age, sex, ethnic background and religion." Its purpose is to ensure that service personnel, as well as patients and their families, understand their rights and responsibilities.

Another Ghanaian example is the Forestry Commission, whose service charter serves as an agreement between the Commission and the public. It sets out clearly how the Commission intends to work towards providing a high quality service to its customers. The very existence of these charters has brought pressure on the authorities to provide the best service they can in a transparent way. The countless complaints in Zambia about service standards in government and state

agencies suggest that it is time Zambia too committed itself to service charters. Indeed this is already happening. In 2008 the Zambia Revenue Authority(ZRA), the Ministry of Lands and the Immigration Department all adopted customer service charters. The ZRA's charter seems to be working well, but the effectiveness of the other two is still open to doubt.

For service charters to be effective in Zambia, as elsewhere, they must be well publicised and must be specific in terms of undertakings and service standards. Publicising charters alerts citizens to their right to service, while setting specific standards establishes a basis upon which the performance of a government department or agency can be measured. For example, the establishment of service standards for Passport Canada, the agency that issues Canadian passports, has helped to ensure accountability. The agency now has specific performance standards such as issuing a passport within fourteen days or, in emergencies and on payment of an additional fee, within twenty four hours. Members of the public measure the agency's performance against these clear standards.

Ontario's Ministry of Citizenship and Immigration has a client service policy which describes the kind of service clients can expect to receive from the ministry, and how that service will be provided. The policy goes beyond general statements. It is quite specific about what a client can expect and is entitled to. For example, a client calling the ministry can expect the phone to be answered within three rings. Clients who leave a message on voice mail can expect a ministry official to respond within twenty-four hours.

Zambians should expect no less when dealing with their government. The Zambian Government exists for only one reason; to serve the people of Zambia. Zambians must demand their rights and be prepared to monitor the conduct of their government in the provision of services. Government officials must be left in no doubt as to who works for whom. When a private citizen faces a government official, she must do so with confidence and with the authority of an employer.

Author: Chisanga Puta-Chekwe is Deputy Minister, Ministry of Citizenship and Immigration, and Deputy Minister, Women's Affairs of the Province of Ontario, Canada.

***The views expressed in this article are those of the author and do not necessarily reflect the views of the Ontario Government.**

Quotations of the month

When you get a mobile phone it is almost like having a card to get out of poverty in a couple of years.

- **Muhammad Yunus**

Laissez faire means: Let the common man choose and act.

- **Ludwig von Mises**

The Fall of the Berlin Wall - an African Perspective

By Temba A Nolutshungu

Having lived in Apartheid South Africa, I feel I have the benefit of hindsight to comment on walls of tyranny, be they in South Africa, Korea, Germany or wherever. The history of the Wall symbolises the truth that a free society, based on private ownership of the means of production, best delivers what people want.

I became aware of the Berlin Wall, without appreciating its political significance, soon after its construction in 1961; the time when I was cutting my political teeth and discovering the forces that rule the world. The all-pervasive apartheid system then in force in South Africa inevitably politicised many of us, and socialism seemed to offer an appealing solution to the prevailing state of affairs. The SA government displayed a deep-seated hatred of communism which was constantly manifest in propaganda generated by the state communications network. This anti-communist sentiment was echoed in the press, owned and run by whites. So, for us blacks, the equation was simple. The oppressors, who had inflicted so much suffering on our people, hated communism. What the enemy hated had to be good for the oppressed people. After all, communism was about a classless society.

As I matured politically, I immersed myself in studying the philosophy of communism. I began asking myself how communism worked in practice and found it hard to come up with credible answers. I wondered about the Berlin Wall, built by Russia and the East German government to keep the people living inside the workers' paradise, communist East Germany, from fleeing to the capitalist West, which typified man's exploitation of his fellow man. Before its construction, East Germany had experienced an exodus of thousands of educated young people to the West. After the Wall was built, with its guard towers, trenches and checkpoints, thousands risked death attempting to cross into West Berlin. I found it disturbing that the refugees included people from all walks of life: artists, scientists, students and professionals, undeterred by the threat of death. I began to perceive the Berlin Wall as symptomatic of the two contrasting systems, capitalist democracy and

communist dictatorship. I watched capitalist West Germany grow into the second biggest economy in the world, while East Germany remained stuck in the economic doldrums. West Germany was a free democratic country, while East Germany was a police state. I looked at South and North Korea. The same scenario was patently obvious. As with Germany: it concerned the same people, same culture, same language, with relatives on both sides of the divide. But there were glaring contrasts. The desperate attempts of individuals to flee from the communist grip of the North to the capitalist democracy of the South needed closer study.

In Africa, most liberation movements, which sought to overthrow colonialism by force, embraced variations of communism or socialism. Once in power these movements implemented economic policies informed by a socialist perspective. Gradually it became clear that these policies were very much to the detriment of their people.

But, for quite a while, the vision of the nirvana that socialism would bring, along with an awareness of the manifest injustices of the colonial past (which were blamed largely upon capitalist interests), bought the new parties time and caused people to put up with the consequent suffering. The seductive vision of popular ownership of the means of production through the state appealed to many, and still does in some circles within South Africa.

Only with experience has it become clear to me that the nationalisation of productive assets doesn't actually mean that they are owned and controlled by the people and operated for their collective benefit. Rather, they are owned and managed by the state, which means the elite factions which control the state. It gradually became apparent that, as with East Germany and North Korea, only the leadership of these African socialist states derived any real benefits from the policies of collectivisation. As in East Germany, it eventually transpired that attempts to impose communist systems in Africa were economically unsustainable, politically tyrannical and morally bankrupt.

For me, the fall of the Berlin Wall brought home some very important truths: that people value freedom above all other ideologies; that the system that fails to acknowledge this definitive attribute of human nature will eventually succumb to pressure, however long that may take, defeated by the spirit of enterprise that runs through all cultures. This is encapsulated in the words of Svetlana Alliluyeva, Stalin's daughter, who said, "It is human nature that rules the world, not governments and regimes"

Communism corrodes human freedom. In its zeal to redistribute resources, abolish private ownership of the

means of production and re-engineer the structure of society, it has to resort to the use of force. It subsequently denies individuals the freedom to act in their own interests and it denies them the fruits of their own labour and initiative. It is not surprising therefore that communist leaders were obliged to rely so much on coercion, violence and spies to maintain their regimes, and in the process slaughtered millions of their own people. My understanding of the history of the Berlin Wall, until its historic breach and destruction in 1989, fundamentally contributed to my ideological metamorphosis. For me, the history of the Wall symbolises the truth that a free society with private ownership of the means of production best delivers what people want.

Author: Temba Nolutshungu is a director of the Free Market Foundation.

'Ideas for a Free Society'

Over the year end holiday we mailed all ZIPPA members an outstanding CD, 'Ideas for a free Society'. This gold mine of ideas, in the form of articles and excerpts from books by outstanding writers, is available free of charge to all libraries equipped with computers, and to individuals at the minimal price of K10,000. Requests from institutions for free copies are welcome.

Website

It has been decided to replace the wiki by a web site. Offers to help in designing it will be welcome.

Disclaimer

The views expressed in this journal are those of the authors. They are not necessarily shared by members or by ZIPPA, which has no official view.

Membership

'As ZIPPA's financial year is in its last quarter, new members need only pay 25% of the annual subscription.

April is membership renewal time, Subscription rates, which have remained unchanged since 2004, will have to double due to inflation. Please do not be discouraged: your money enables ZIPPA to be effective. Mail your cheque to PO Box 20516, Kitwe, or make a transfer to Account No. 020710017796013 Investrust Bank Plc, Kitwe. New members are most welcome.

.....



ZAMBIA INSTITUTE FOR PUBLIC POLICY ANALYSIS

The Executive Secretary, PO Box 20516, Kitwe, zippamail@gmail.com

MEMBERSHIP APPLICATION / RENEWAL

I/We wish to subscribe as a member for the year of April 2009/March 2010

Category <i>(tick where applicable)</i>	Subscription
<input type="checkbox"/> Student	K20,000
<input type="checkbox"/> Individual	K100,000
<input type="checkbox"/> Institution	K300,000
<input type="checkbox"/> Company	K500,000

Details of Applicant

Name: Postal Address:

.....

E-mail: Phone No:

Signed: Date: