ZAMBIA INSTITUTE FOR PUBLIC POLICY ANALYSIS
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Theme: MARKETS AND GOVERNMENTS

Contents

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Freeway
Conflicting interests?

The journal's title, 'Markets and Governments', reflects ZIPPA's mission: 'To promote wider appreciation of the role of free markets and competition in economic development'. 'Markets and government' suggests a state of conflict, or at least of rivalry, between private business and government in a country's economy. That is indeed a common attitude, and it provides much scope for debate. Although outright warfare between communism and capitalism is a thing of the past, there is still much scope for disagreement regarding the roles of the private sector and government. That is bound to continue, and it should be regarded as healthy.

This issue of the journal opens with a brilliant exposition on 'How markets work'. A detailed and original explanation of the origin and working of markets, which readers will find most helpful. The article fully deserves the substantial space provided for it.
Next comes 'Markets and government' by Chisanga Puta-Chekwe, whose governmental abilities Zambia has lost to Canada. The essay suggests areas where government can make major contributions to strengthening the private sector. Then come two articles critical of claims for what the writers consider excessive governmental activity in areas better left to the private sector.

Lastly comes an article on education, 'New rules for schools'. It shows how issuing vouchers to cover school fees, which parents can allot to the school of their choice, can compel schools to raise their standards in order to compete, and even to survive. This practice merits serious consideration. It shows how using a marketing principle could put an end to the current very poor teacher attendance in most government schools, and generally raise standards.

Readers are encouraged to contribute articles to a further edition on Markets and Government, a topic which offers much scope for more original ideas.

How markets work

By Eamonn Butler

Markets are marvelous. They unite the populations of the world in peaceful trade, co-ordinating the efforts of millions of diverse individuals. They enable us all to swap things we don't want for the things we do. They steer resources to where they are most valued. They discourage waste and encourage fresh ideas. And they do all this without any governments or authorities needing to tell them how. It's amazing, but it's true. So how on earth do markets actually work?

The markets that people are most familiar with are where people gather in order to buy and sell things. The collection of stalls you can find in any market square in Europe, selling everything from fruit and cheese through books and clothes to bric-a-brac and jewellery. Or the market I visited in Lanzhou, China, a street lined with rickety sheds from which people sold hot soup, and live fish and pigeons, and buckets and bicycle parts, and sunflower seeds and soap. Or specialist affairs, like the world's largest flower market in Aalsmeer near Amsterdam, or the huge camel market at Buraydah in Al-Qassim, Saudi Arabia.

At any of them hundreds of people are involved in exchange –busily comparing the goods on offer, bargaining, buying and selling. And this is just the visible tip of the iceberg. Many more markets exist all around us, not in a single place. There are markets for ships, shoes, sealing-wax, stocks, shares, stamps schoolteachers, shop assistants, and an alphabet full of millions of other goods and services too. Exchange is a part of our lives. But why do we do it?

Exchange adds vale

Simple. We exchange things because it enables us to get something that we value more in return for something that we value less. Even kids know this. They swap toys they are fed up with for ones that other kids have and which interest them more. They swap football cards and stickers. And the great thing is that both sides benefit from these trades. The toy that you are fed up with might be the bee's knees to some other kid. The Manchester United striker that you have two of might be exactly what the other kid has been searching for – while their spare Liverpool goalie might be the object that you covet most in all the world.

You both gain from this deal, getting something you value more than the thing you give up in return. Nobody would enter an exchange unless they did. It is not that one side has been tricked or forced into accepting something of a lower value. Value is in the eye of the beholder. It is a personal, *subjective,* opinion of the things you trade. It is not some public, *objective,* measurable quality of things, like their size or weight.

Different people may value the same thing very differently. Someone under the hot sun of Buraydah might value a pitcher of water more than a diamond, while someone in rainy Aalsmeer might make the opposite calculation. Indeed, the more that people disagree on value, the easier it is for them to trade.

Markets harmonize different purposes

That is quite a boon in terms of world peace. We do not have to agree with people's politics, or culture, or religion to trade with them. All we have to do is *disagree* on value, which is quite easy – particularly in view of how diverse are the world and its products. Dates and wine do not grow well here in Britain, but I can buy them from Iraq and Chile, without having to agree with the producers on anything except the price.

In the schoolyard, the price of a Liverpool goalkeeper is one United striker. But in most markets, when we speak of 'price', we usually think of money prices. Money is nothing special. It is not a measure of something's value. It is simply a good that people will accept in exchange for an item, knowing that it can be easily exchanged later for something that they want. It saves hungry barbers searching around for bakers in need of haircuts: they can cut someone's hair for cash, and then use the cash to buy bread from another person later on.

How price communicates

Yet money prices *do* reveal what it is that people value, and how scarce it is. Suppose that some new, must-have, invention requires tin in its manufacture. Everybody wants the new gadget, so producers crank up their output to take advantage of the soaring demand and make some money out of it.

To raise output they need to buy more tin. They order more from the metal dealers, who order more from the miners. It may be hard to raise mine production overnight, but the miners and the dealers all discover that they can raise their prices, and the gadget producers are still willing to pay them, so strong is the consumer demand. Indeed, they can continue raising prices until consumers eventually baulk at the cost of the new gadgets – or until someone else invents a new version that uses less tin.

In the meantime, the rising price of tin sends a powerful signal to the whole market: people are placing a higher value on tin; it has become scarce; more is needed; use less or look for some cheaper alternative.

In response to this price signal, miners will try to increase the production from their mines, or will explore for new deposits. Dealers will try to move their stocks faster, so less of the metal sits idly in their warehouse stores. Gadget producers will research ways of using less tin, or seek out cheaper substitutes. And other inventors will look for ways of satisfying the public's demand with something that does not rely on so much high-cost metal.

Price, then, is a vast telecommunications network linking the whole community, telling everyone how to respond to the new demand. And not just people in the tin market. If other manufacturers find they can save money by switching from tin to chrome, say, then the new demand for chrome will see its price rising too. Users of chrome in turn will look for cheaper substitutes: and so the effect goes on, rippling out through every market.

As a result of consumers wanting a new gadget that uses tin, the whole structure of economic production is altered. And it all happens automatically, in response to signals provided by price. It does not need any authority telling people that we need to produce more tin, or chrome, or all the rest, or cut down on their use. Thanks to the price signals that ripple out, people automatically adjust their plans and co-ordinate their actions to fit in with the demands and the plans and the actions of others.

This is good news for consumers, because it draws scarce resources – like tin - to the places where they are most valued. If producers can capture high prices from supplying a valued resource to customers, then producers will spend more effort just doing that. Automatically, each and every resource will be steered to where consumers most want them.

Likewise, it is good news for the planet, because if people can respond to price rises by using fewer scarce resources, they will: producers have every incentive to use the cheapest mix of inputs they can find to create products of the quality that consumes wasn't to buy.

A spontaneous arrangement

This arrangement, based on voluntary exchange and the prices that emerge through it, is the *market process.* It is a hugely efficient process, despite the fact that it comes about quite naturally. It does not need to be thought out and consciously designed. It grows up spontaneously – like language or social conventions – and survives because it happens to be useful to us.

This *spontaneous social order* is not perfect, of course: nothing human is perfect. The structure of production does not instantly snap into some new balance just because the demand for tin changes. Things take time to adjust, and people make mistakes along the way. They may know what is going on close to them, but they cannot know exactly what is happening everywhere else. They cannot know how everyone else is responding to the changes, or exactly how they in turn can best adapt to those changing responses.

Information, then, is imperfect – dispersed, fragmentary, and fleeting. A taxi company, for example, needs to know what cars are available, how many customers are looking for transport, and where they want to go. It needs to anticipate surges in supply and demand – such as when the local cinemas close. It needs to know all this not just from month to month, but from moment to moment.

There is no way that a central planner in a large country could collect all the information needed to make sure that a taxi is waiting for everyone who needs one. By the time the information had been transmitted to the planning board, it would already be out of date, even before it was acted on. And much of the information required is just the gut feeling of the local people, which cannot be summed up in words and passed on to planners anyway – such as whether an important football game on television is likely to reduce the number of people wanting to go out to the cinema that evening.

The market is able to respond to such dispersed, local, incomplete, personal information far better than any central planning system. Indeed, given the number of different ways of allocating our resources, no central planer could possibly cope anyway.

Should we produce oil or wine? A planner would have to find out what people want, and how much they want it, then decide how many trees or vines to plant, organize pickers, make barrels or bottles, which in turn need metal or glass, arrange the appropriate transportation….and this with only two products. When there are millions, the task is millions of times harder. Yet the market process co-ordinates all these production decisions quickly and easily.

Imperfections drive markets

What motivates the market process is not some central plan, but the alertness of individuals who spot that supply or demand has changed, or that consumers have wants that are going unfulfilled, or that products can be made better or cheaper. Their incentive is the profit that can be made by filling these gaps that other people have not spotted. You may call these people *entrepreneurs.* But we are all entrepreneurs, trying to establish where our abilities will be best rewarded – whether we should learn new skills or change jobs, for example.

Profit, though, is earned by providing what other people want. When it comes to deciding what we should do and what we should make, consumers are in control. It is their votes that count. Not their votes in an election – where a whole package of political policies is decided once every few years. The votes that count in the market are consumers' money votes, which look like a daily referendum on each of millions of different products and services, revealing which ones consumers value most, and deciding which will be produced.

Entrepreneurs do not want to produce things that are identical to others – they want to distinguish their products by making enhancements that will attract customers. That is because they face competitors, and want to give themselves an edge. Competition is not some dead fact of economic life: it is a dynamic *process, discovery procedure* in which entrepreneurs – any of us – try to find out what it is that consumers really want, and how much of their cash they are prepared to vote for it.

Getting the most out of markets

Many of our politicians have been brought up on textbook economics that has an idea of 'perfect' markets in which all producers are identical, prices remain fixed, and supply and demand always balances. No such world could ever exist. It is the very *imperfections* of the market that drive economic life towards constant improvement, progress and efficiency.

Markets need rules, just as a fire basket is needed to contain a fire. But politicians should not try to impose their own rules, or to 'perfect' markets by intervening with taxes, subsidies and regulations. Markets are powerful, and messing with them can produce powerfully counterproductive results. Politicians should therefore simply enforce the rules that make them work – the rules of property, contract and honesty – and enjoy the warm glow of increasing prosperity.

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Markets and governments

By Chisanga Puta-Chekwe

The reinstatement of democracy in Zambia in 1991 after a 19 year hiatus was also meant to re-establish market economics and define a relationship between Government and markets that would result in most economic decisions being made in the markets, rather than by Government. While markets are more active today than they ever were during the One Party era, they are far from being the dominant decision makers. The Frederick Chiluba dream of an economy dominated by active markets through which buyers and sellers met to trade and determine prices and quantities for goods and services, remains largely unfulfilled.

This is regrettable as the evidence shows strongly that free markets lead to optimal economic outcome as citizens pursue their individual economic objectives. The freer markets are in a country, the less likely that country is to have economically injurious distortions. Zambians witnessed the worst consequences of these distortions during the One Party era when individuals with cash were nevertheless unable to buy essentials like soap and cooking oil. In addition, individuals with savings accounts found themselves losing money because the interest they 'earned' on their savings accounts came nowhere near matching the real rate of inflation. Freer markets would have matched the amount of cash in the economy with available goods and services, and set a realistic rate of interest that allowed the saver to earn a real return on her savings.

Markets respect the fundamental economic principle of supply and demand. Perhaps this principle best explains how the market mechanism increases efficiency. When demand for a particular item increases, its price will increase and businesses will of course want to benefit from the price increase by expanding its production. But in order to maximise profit, the business must find the most efficient use of factors of production like labour and land. A business that fails to do this will (or should) be eliminated from the market.

The One Party economy in Zambia was characterised by unfair labour practices, price control, foreign exchange control, inefficient land management, and general disrespect of the principle of supply and demand. The consequence was gross distortions. For example, the legendary shortage of goods like bread and cooking oil could not be ameliorated merely by an increase in demand because the sellers of the goods had no prospect of profiting from it, being legally obliged to sell the goods at artificially low prices. Even if the sellers had responded altruistically and positively to the surge in demand they would still not have expanded production of the goods because the exchange control regime in place would have ensured that (without political connections) they did not have enough foreign currency to import whatever foreign ingredients and components they needed for production. The absurdity of the One Party economy led the Economist magazine to describe the then Zambian president as "an economic ninny".

But admirable as it is in producing and allocating goods, the market mechanism's failures can also lead to deficiencies in economic outcomes. It is these failures that justify and even compel government intervention. Government has a legitimate role in a modern economy to correct socially unacceptable distribution of income, and to promote economic growth and stability. There is a general responsibility too to ensure efficiency, and in a modern economy that must include encouraging a free flow of capital within and between jurisdictions.

Distribution of income is determined primarily by the ownership of factors of production such as labour, capital, and land. People who own fertile land or have talents that are in demand will earn above average incomes and have above average spending power. In contrast, persons without property and without skills that are in demand will receive low incomes. People who belong to racial or ethnic groups and women will also receive low incomes when markets undervalue women and certain ethnicities. It is safe to state for example, that the pre independence Zambian economy undervalued black people and women. It was indeed this reality that prompted the first post-independence economic reforms. These reforms in effect represented government intervention in the economy aimed at ending unfair distribution of income.

Opportunities exist today for Government to positively intervene in markets with a view to promoting economic growth, employment and therefore stability. Government can do this by enlightened procurement policy and smarter public consumption policies.

It is conservatively estimated that the Zambian Government imports 9000 motor vehicles every year. If Government were to declare that as a matter of policy, it would not consume anything that had no Zambian content and that as a matter of urgency it was going to award a contract after tender, to a corporation to manufacture in the country Zambian Government vehicles, the result would be the creation of at least 27,000 jobs in the country. Even if the successful bidder installed the most automated plant from North America, on average three people would be required to assemble one car.

A stipulation in the contract between the Zambian Government and the manufacturer requiring some local content in the motor vehicles would lead to revitalisation of industries such as tyre manufacturing for the simple reason that the entrepreneur contemplating establishment of a tyre plant would be encouraged by the fact that she would have a guaranteed market of 45,000 tyres a year, assuming each car manufactured locally would come with a spare tyre, in addition to the regular four.

Furthermore the global evidence shows that the automotive industry has one of the most robust multiplier effects. For every job created in the automotive industry, six or seven jobs are created in the broader economy. This ratio is true for North America as it is for Europe. Thus on the basis of our figures, a decision by the Zambian Government to only purchase vehicles assembled in Zambia would potentially result in an increase in employment of at least 162,000. Of course for this to work Government would have to continue guaranteeing the free flow of capital between Zambia and foreign based suppliers to the manufacturer.

If this policy of enlightened procurement were to be extended to school desks, court room furniture and uniforms for the army, air force, national service, police and customs, it is not inconceivable that Zambia could see a doubling of employment rates and the size of the middle class itself within a relatively short period of time. That can only be a good thing for Zambian democracy and prosperity.

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Government investment vital for industry and jobs

By Dr. Madsen Pirie

It's a matter of historical record that government investment is fatal to industry and jobs. What government does is to take taxation from those industries which are successful, and redistribute some to those which are not. In doing so, it takes away resources which would otherwise be available for investment in expansion or for the purchase of goods and services.

It puts these resources into industries for whose goods and services there is not enough private demand. Government tends to choose industries for political, not economic reasons, and to make bad choices. "Picking winners", means picking losers. For all of the public jobs created by public investment, rather more jobs will quietly disappear from the private sector in consequence.

Government investment in industry involves spending other people's money on somebody else. Since it is not their own money, the politicians and bureaucrats do not have the same incentive to make good and wise decisions as do those whose livelihood or reward depends on success. They do not have the same drive to ensure that the goods produced will be of the quality and price to hold their own in the marketplace. Furthermore, government investment is usually called for when private investment has failed to materialize in support of certain industries. There is a very good reason why it did not appear; it is because private investors had low expectations of any returns to be made by doing so. When government does invest, the industries concerned become dependent on continual state handouts, and are unable to attract private funds in its place. The graveyard of Britain's industrial history is littered with corpses of failed state investments, whether in steel, shops or motorcycles. Government investment in industry is the kiss of death.

From 'Freedom 101' by Dr. Madsen Piri, with permission from Adam Smith Research Trust 2007, info@adamsmith.org

Leave business to business and let government govern

By Herman Mashaba

The only money a government has at its disposal is that provided by private taxpayers. Government domination of an economy curbs economic growth. The unavoidable result of this is reduced tax receipts. If we in South Africa are ever to prosper, it would be far better for government to get out of the way and allow private providers of goods and services to supply the needs of the nation and fill government coffers than to try and take over what the private sector does much better.

That private initiative delivers the goods better than government bureaucracies is a lesson that has been learned in every country that has tried to implement communism in the past. The Soviet Union and Chinese communist regimes found that even the use of brutal force and the death of millions of people could not make a government-dominated economy work. The Soviet Union collapsed clearing the way for independent former communist countries to implement greater freedom. The Chinese regime also reformed by introducing free economic zones based on the policies that work so well in Hong Kong, the freest economy in the world.

There was a time when a notion existed that large infrastructure developments had to be carried out by "government" because it had recourse to much larger resources (the taxpayers) than the private sector. In these modern days the total opposite view is that the private sector should undertake the very large developments and the government should not. "Should not" because, firstly, the view that if private investors believe some particular infrastructure investment is not viable, then it is in the best interests of citizens that it should not be done is valid. And, secondly, that there is no viable contract that cannot be carried out by the private sector.

We can learn from Sir John Cowperthwaite, architect of Hong Kong's economic success. When he was approached with the suggestion that the government should build an undersea tunnel to facilitate travel between Kowloon on the mainland and Hong Kong Island, his view was that if such a tunnel could be justified on economic grounds, private investors would build it. He therefore refused to allow government to get involved and was proved correct when a private company built the Cross-Harbour Tunnel. It opened in 1972, operated under franchise by The Cross-Harbour Tunnel Company Ltd.

We increasingly hear calls for more development in South Africa to be carried out by the state. Does this make economic sense? Almost every day we read in the papers about some new disaster that has befallen the country and is causing large losses because of poor government management and corruption. SA Airways is constantly asking for more taxpayers' money. Our ports take a long time to load and offload cargoes. The railways are unable to transport the cargoes that firms want to ship from the ports. Government hospitals and clinics are in a sorry state and the schools are letting down the children. Crime levels are still very high.

Eskom asks for price increases well above inflation to keep the lights on. The fact that many of the businesses that buy electricity from Eskom will not survive if the electricity price is increased at such a rapid rate does not appear to be as important as maintaining its monopoly status. If Eskom was a private company and dared to increase its prices at the rate that it is asking NERSA to approve, it would probably be found guilty under the Competition Act and have to pay a massive fine. State-owned monopolies, if they make the same mistakes that would bankrupt a private company, are excused and merely given more taxpayers' money to carry on as usual.

Despite all the failures of State Owned Enterprises and poor management of government projects, we still have Cabinet Ministers suggesting that the role of the state in the economy should be expanded even further. This makes no practical sense whatsoever. Ideology is being followed instead of sound economics, to the detriment of the economy and the welfare of this country's people. Poor management of tenders occurs in too many government departments. Why? Private sector companies constantly enter into contracts with private suppliers. The buyers in the purchasing company know all the necessary steps to take to ensure that contracts are properly prepared to cover all eventualities; they check the credentials of the suppliers and ensure that they have the necessary skills and resources to successfully complete the contract.

Lower costs for the delivery of government services and improved quality could be achieved by increased contracting out of South Africa's government and municipal services.

Corruption in this country has increased enormously. South Africa will not prosper as long as this state of affairs continues. Whenever a government official has the power to make a decision that can make someone rich, there is the possibility of corruption. The best way to reduce corruption, therefore, is to reduce the discretionary powers of the executive branch of government.

If everyone in this country could rely on the proper application of the rule of law and proper functioning law courts, many of our problems would disappear. We need government to concentrate its attention on carrying out its own functions properly and to spend less time trying to tell business people how to run their businesses. We need greater economic freedom. We need the private sector, and especially small businesses, to thrive if the economy is to grow. That is the only way that unemployment and poverty can be rapidly reduced.

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New rules for schools

"The Economist 3rd March 2013 (with permission)"

Innovators have shaken up Indian health care. Why can't they do the same to education?

The Economist 3rd March 2013 (with permission).

THE Bhandari Modern Public School can be approached only by technological downshifting. Full-sized taxis cannot penetrate the narrow, crowded streets, so you have to switch to a tuk-tuk. Soon the streets become alleyways, so you switch to a bicycle-rickshaw.

The Brahmpuri slum in New Delhi is an energetic place, home to migrants, Muslims and other marginals. A barber with a cut-throat razor and a bucket of dirty water shaves clients on the pavement. Factories hum in people's front rooms. Animals and children are everywhere: buffaloes pulling carts, white ponies doing nothing in particular (they are popular for wedding ceremonies), children hawking bicycle pumps and washing powder.

Private Education

The school, despite its name, is private, and it is a miracle of compression: floor upon floor of children, 25 to a class, crowded into a narrow concrete block. It is also a miracle of order: the children wear uniforms and stand up to greet visitors. One classroom is decorated with bright pictures and perky slogans such as: "We will get more than 80% in maths." The teacher worked for Infosys, a giant IT firm, before finding her vocation. Other classrooms are drabber. Dr Bhandari, the school's owner and headmaster, is clearly a shrewd businessman. He runs a fancier school next door, decorated with images of Mickey Mouse. He has an impressive collection of certificates. He uses an interpreter to explain that one of his school's strengths is that it is "English medium".

Dr Bhandari's school is part of a growing movement to provide private schools for the poor. There are no reliable national figures, but a new report for the India Institute, a think-tank, found that 65% of children in Patna, a fairly representative city, go to private schools. And 70% of parents who send their children to government schools would send them to private schools if they could afford the modest fees of 50-500 rupees ($1-10) a month.

Facilities are basic, but cheap private schools are orderly and often teach English. Dr Bhandari's is part of a voucher experiment run by a local think-tank: the Centre for Civil Society gives 400 randomly chosen girls a voucher to spend on a private school of their choice. The results are encouraging: "voucher children" read and do sums better than their state-school peers, and have higher aspirations. They also get more family support.

That poor parents will pay for something the state provides free speaks volumes. India's state schools pay their teachers far more than private ones, yet they are often worse. Surveys suggest that a quarter or more of government teachers are absent at any given time. Unions prevent the authorities from disciplining slackers or rewarding good teachers.

The willingness of poor parents to pay is also a sign of something more positive: ordinary Indians' passion for education. Slums like Brahmpuri are full of garish advertisements for makeshift computer-training colleges and English schools. (Workers who are fluent in English earn 34% more than those who are not.) Indian companies that depend on brainpower are naturally keen to nurture local brains. Firms such as Infosys have built huge training machines that convert so-so university graduates into world-class computer programmers. And social entrepreneurs are producing interesting experiments: Sugata Mitra, a physicist, put a computer in a hole in the wall of his office, which backed onto a slum, and discovered that illiterate street children could teach themselves to surf the web. "Hole in the Wall" computers are now available at hundreds of sites across the country.

Yet India is much less innovative in education than in health care. Jeff Immelt, General Electric's boss, enthuses that "every doctor in India is an entrepreneur". GE has made India its global centre of "low-cost innovation". Devi Shetty, a surgeon in Bangalore, applies economies of scale to reduce the cost of heart operations by an order of magnitude. Anant Kumar has set up a chain of low-cost maternity hospitals called LifeSpring. It is hard to think of anything comparable going on in education. Private schools are tiny businesses that vary hugely in quality. Companies such as Infosys focus on university-leavers rather than younger children. Social entrepreneurs do not have the resources to spread their innovations across India, let alone globalise them.

A few local governments have tried voucher schemes. Uttarakhand, a northern state, provides vouchers worth 3,000 rupees a year for orphans and dropouts, for example. But many Indian officials view private schools with suspicion. Educational entrepreneurs must obtain dozens of licences and pass endless inspections by bribe-hungry inspectors. Health care is regulated, too, but the rules for private schools (which threaten a public monopoly) seem designed to snuff them out. The 2009 Education Act (which begins to go into effect next year) dictates the minimum size of playgrounds and the minimum level of teachers' salaries.

Unbinding the bookworms

India's government is far from the only one to block school reform. But countries that have given educational entrepreneurs room to innovate have benefited. Sweden, for example, allows parents to take the money the state would have spent on their children at a public school and spend it at a private one. Private schools are allowed to make profits, and companies backed by private equity are allowed to create chains of schools. Such reforms force public schools to compete. If applied in India, they would force them to stop cosseting dud teachers or else lose students to academies. The teachers' unions would object. But the opportunity cost of doing nothing is immense. More than half of Indians are under 25. The country will reap a colossal demographic dividend if those young brains are well-educated. But if India doesn't shake up its failing schools, they won't be.

Quotations

When will our government learn that the profit motive is a good thing? It spurs innovation and benefits fellow human beings, for that is the only way to make a profit. Amit Varma

Africa needs a reborn liberation movement – except that this time the aim is to free Africans from civil servants rather than colonial masters. The Economist, March 2013

Topic for July 2013 Issue

The July issue of the journal will be a second edition of Markets and Governments. Readers are encouraged to send articles to The Editor at zippamail@zippa.com

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.

Board Changes

We are sad to report the retirement of long serving Chairman Muyunda Mwanalushi and Vice Chairman Jonathan Chileshe, due respectively to heavy commitments and poor health.

ZAMBIA INSTITUTE FOR PUBLIC POLICY ANALYSIS

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