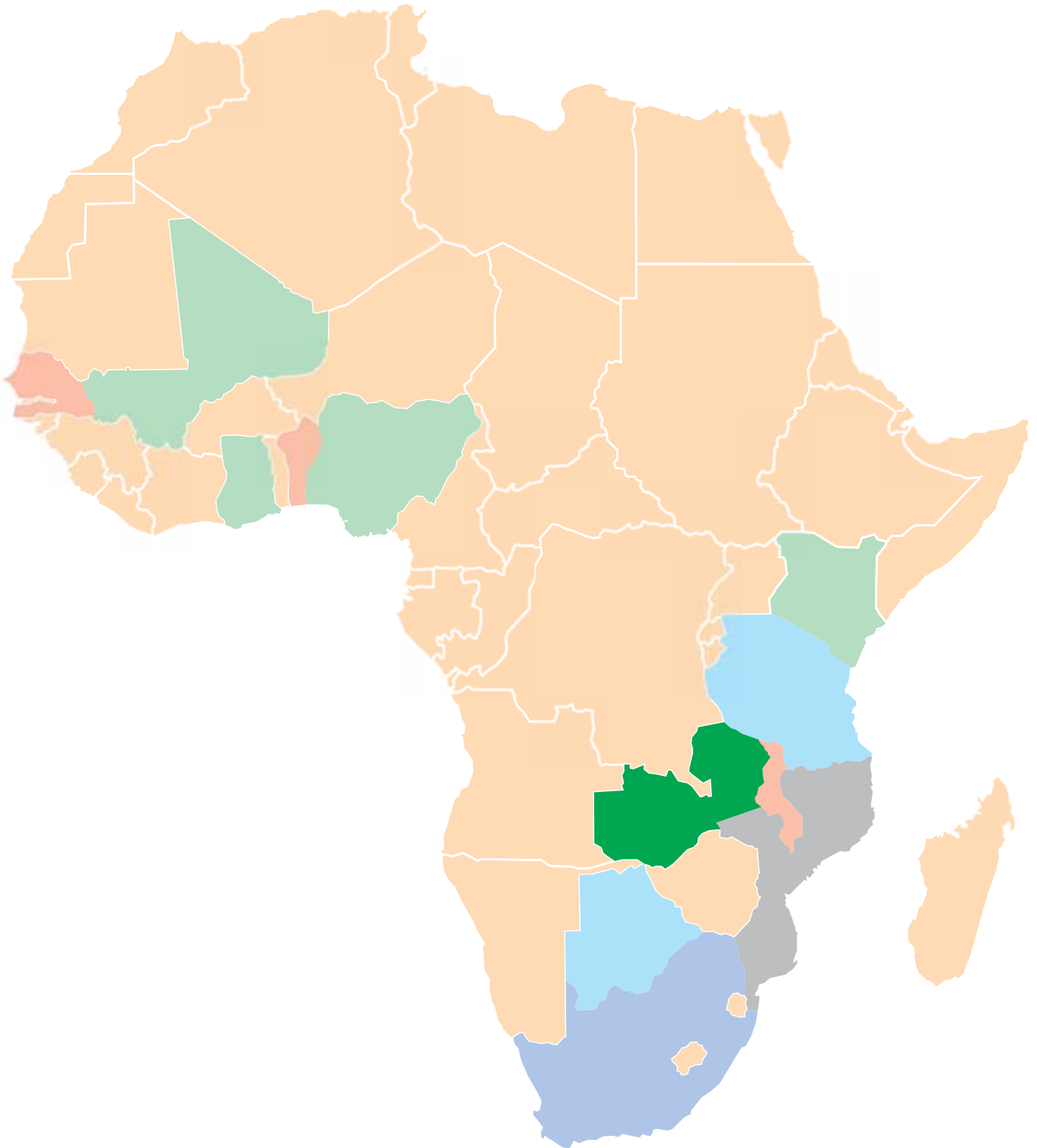


# ZAMBIA

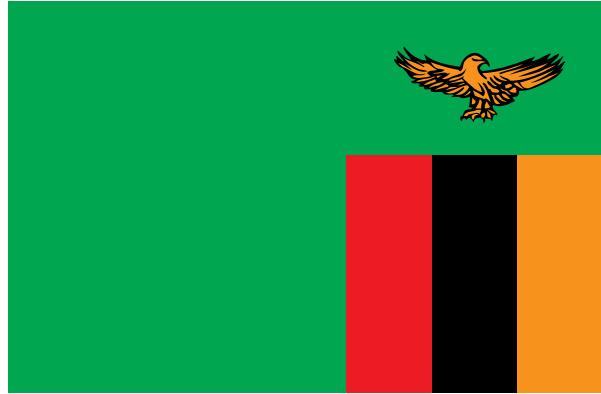
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# ZAMBIA



**Speech by His Excellency Levy Patrick  
Mwanawasa, President of the  
Republic of Zambia, on the Eve of the  
Fortieth Anniversary of Independence  
23 October 2004  
Lusaka**



Today marks the eve of the fortieth independence anniversary of our country.

The theme for this year's celebration is "Celebrating Forty Years of Zambia's Freedom, Peace, and Pride." This is befitting of the occasion, as it marks a significant period in the history of our country.

It is an occasion for us to once again pay homage to the gallant freedom fighters and founding fathers and mothers who fought relentlessly to achieve the political independence we celebrate.

This occasion gives every Zambian an opportunity to evoke the spirit of independence, nationhood, and sovereignty regardless of ethnic belonging, religious leaning, or political affiliation. We thank the almighty God for this.

There is only one Zambia and one nation, that [of] our founding fathers and mothers, the heroes and heroines of the independence struggle [who] sacrificed their lives in order for us to enjoy self-rule.

I would like to call upon you all, wherever you may be, to take pride in your country, mother Zambia, and join in this celebration.

Those of us who have been privileged to live [in] the days since the first celebration in 1964 still recall with nostalgia the euphoria that gripped all Zambians at the prospect of self-rule.

There is no doubt we have gone through many human experiences, successes, and challenges in the past forty years. Suffice [it] to say that over the years, Zambia has also gone through major social, political, and economic evolution.

## POLITICAL

Our founding fathers and mothers who led the liberation struggle were inspired by the vision and ideals of making Zambia a nation of equality, justice, dignity, and peace for all mankind, regardless of ethnicity, religion, race, or political affiliation.

Our political evolution has taken us through three republics. As some of you may recall, Zambia was a multiparty state for the first eight years. However, in 1972, Zambia became a one-party state for a staggering nineteen years, until 1991, when the country returned to a multiparty dispensation. To this effect, more Zambians are now participating in the affairs of the country through a variety of political parties, the civil society movements, and other affiliations.

The noble ideals of our founding fathers and mothers were premised on the notion that no nation is an island. [After] winning our independence, there was a national conviction that our freedom would not be complete if our neighbours were still under bondage. Indeed, we could not enjoy our freedom and peace when our brothers and sisters in the subregion were in subjugation. It was this principle that gave us the impetus to assist most of our neighbours in their struggles for liberation.

Consequently, Zambia spearheaded the liberation struggle of southern Africa, which led to the independence of Angola, Mozambique, Zimbabwe, Namibia, and eventually the dismantling of apartheid in South Africa. We can proudly state that as a result of our contribution, today our neighbours are free men and women, charting their own national destinies.

Our reputation as an oasis of peace and stability in the region has also seen us play host to thousands of refugees. While we shall continue to encourage peace initiatives in war-torn countries, we shall not shy away from our moral responsibility [to] give sanctuary to those who deserve it.

While the political liberation of Africa is now complete, new challenges have emerged. Deepening poverty, [the] HIV/AIDS pandemic, the huge debt burden, and the perils of under-

development have combined to pose the great challenge to Africa in our era. This made it inevitable for the Organisation of African Unity [OAU], which was the continent's vehicle for liberation, to be transformed into the African Union, with a new mandate of meeting Africa's development challenges. As you will recall, the decision to transform the OAU into the African Union was made here in Lusaka.

Zambia has also played a major role in regional affairs. It will be recalled that the Southern African Development Community (SADC) was launched in Zambia, while the Common Market for Eastern and Southern Africa (COMESA) has its headquarters in Lusaka. Through these organisations, Zambia has participated in various peace initiatives and in measures aimed at enhancing regional cooperation.

Internationally, Zambia will continue to interact with other countries on matters of mutual interest, based on the spirit of friendship and partnership. We shall also continue our active participation in fora such as the United Nations, the nonaligned movement, and the Commonwealth. This stems from our conviction that these organisations are conducive platforms for advocating international peace and justice, as well as the well-being of humanity.

## ECONOMY

At independence, Zambia inherited a mono-economy based on copper mining. This economic setup was deliberately put in place to enable the colonisers [to] have access to cheap raw materials.

However, the new government undertook extensive economic reforms. These reforms were needed to accelerate the participation of the majority of the people of this country in the management and ownership of economic enterprises.

The creation of the parastatals became the main vehicle for enhancing Zambian participation in the economy. However, the anticipated viability of most of the parastatals did not occur, as they began to depend on government subventions rather than declaring dividends to the treasury. This characterised a drain on national resources.

From independence, the mining sector has been the lifeblood of our social and economic development. Through earnings from this sector, government was able to bring about a substantial improvement in the social services, employment opportunities, and investment in other sectors of the economy to support diversification.

However, our development efforts were disrupted in the mid-1970s, when there was a slump in copper prices. This was compounded by the rise in oil prices, closure of trading routes to the south due to the unilateral declaration of independence in Rhodesia, and the liberation wars in southern Africa.

Over the years, the mining sector became progressively undercapitalised due to lack of investment in both exploration and mining development.

By the mid-1980s, the performance of the economy had become rather poor. The production of copper declined by almost half the level of [the] 1970s, with the gross domestic product declining. At the same time, exports were generally lower than imports. This situation led the country to accept a structural adjustment programme from both the International Monetary Fund and the World Bank.

The new government, which came into office in 1991, embarked on a comprehensive economic-reform programme. At the centre of this programme was the restructuring of the public service, the privatisation of parastatals, and the macroeconomic stabilisation through reduction of inflation and interest rates, among other measures.

The New Deal government has since 2001 embarked on prudent economic management. It has revived long-term planning and is implementing the Transitional National Development Plan and the Poverty Reduction Strategy Paper, both of which were launched in 2002. The two are aimed at reducing poverty and enhancing economic growth.

As a testimony to the full commitment [of] implementing these cardinal development programmes, the country has enjoyed an average of 4 percent economic growth for the past four

years, which is well above the population growth rate of 2.5 percent.

Inflation rates have dropped from 30 percent in 2000 to 17.2 percent in 2003. Consequently, interest rates have also [decreased], from 50 percent in 2001 to less than 40 percent in 2003. The exchange rate of the kwacha against major currencies has been stable for the past two years, while earnings from nontraditional exports have increased from US\$294 million in 2001 to US\$407 million in 2003.

Over the years, Zambia has incurred a huge and unsustainable external debt amounting to US\$7.2 billion. In order to reduce this debt to manageable levels, the government is committed to reaching the Highly Indebted Poor Countries (HIPC) completion point in 2004, [which will] involve us as a country to adhere to accountable and transparent systems of managing public resources through [a] Medium-Term Expenditure Framework and the Integrated Financial Management System. These instruments are expected to enhance the performance-based implementation of government programmes by targeting the achievement of clearly defined outputs.

Hence, some of the major outputs towards achieving the HIPC completion point are the reduction of inflation, control and management of the public service wage bill, control of government domestic borrowing, protect[ion of] funding from the treasury to the education and health sectors, implement[ation of] anti-HIV/AIDS programmes, and increased gross domestic output. The government intends to further enhance economic development by increasing output from all sectors.

## AGRICULTURE

At independence, development in agriculture was a preserve of European settler farms. The indigenous agricultural population languished in poverty, with limited access to the money economy. [As] in other sectors, we lacked [the] professionally qualified agriculturalists required for services such as extension and research.

Over the years, we have had notable diversification in the rural economy. There were increases in the type of crops grown, as well as in the share of traditional farmers in the total marketed production. It is pleasing to note that the agricultural sector is making significant contributions to poverty reduction and overall growth of the economy.

In the 1990s, government liberalised the agricultural markets and emphasised the need for the private sector to take the lead in agricultural development. However, it is recognised that it will take time for markets to be fully liberalised and function efficiently.

With the lessons of the past forty years, my administration is more determined to unlock the high potential in agriculture. In this regard, government has made agriculture the priority sector. It is agriculture that offers us the greatest opportunity for generating growth and increasing employment and incomes. This is evident from the past two agricultural seasons. Farmers have managed to produce increased quantities of crops as a result of the government fertiliser support programmes and good rain.

Government is scaling up efforts to fully integrate an increased number of small-scale farmers into commercial production. In addition, a conducive environment is being provided for the growth of the large-scale farming sector in order to enhance the linkages between the two. Government is also facilitating the availability and accessibility of land for agricultural development to investors [in] identified farm blocks.

Government will continue to provide [the] necessary infrastructure, such as feeder roads, bridges, storage sheds, and dams, to facilitate the development of these farms. These farms are envisaged to be in all the provinces and will be introduced in phases.

## MINING

In the mining sector, the privatisation of ZCCM [Zambia Consolidated Copper Mines] has already attracted substantial amounts of investment capital, including new mining projects. The dormant

potential is being unlocked with new investment and technological innovations. Cases in point include the commissioning of Bwana Mkubwa mine in Ndola in 2002 and Chibuluma South mine during 2001. Two other large mines that are being developed at Kansanshi and Lumwana in North-Western Province will be commissioned soon.

In addition, J&W Holding AG of Switzerland has acquired RAMCOZ [Roan Antelope Mining Corporation of Zambia] assets at Luanshya mine. Sterlite Industries Limited of India became the strategic equity partner for Konkola Copper Mines PLC, following successful negotiations with government after the sudden withdrawal of Anglo American Corporation shares in Konkola Copper Mines in January 2002.

As a result of this “rebirth” of mining activities in the country, there has been a revival of activities in the construction and other auxiliary service industries, which had stagnated for many years due to lack of major investments. These new investments, therefore, will bring a balanced development of local business with a positive impact on the economic prospects of Zambia.

## TOURISM

The tourism industry has been developed from almost nothing at the time of independence.

Concerted efforts to build the tourism industry by the new government after independence included [the] building of hotels and lodges. The result of this was a steady growth in tourist arrivals. By 1972 the country had registered 62,000 tourist arrivals. However, the liberation wars and closure of the border with Rhodesia negatively affected tourism in Zambia and reduced the tourist arrivals to 21,000 in 1973. By 1980 Zambia registered only about 87,000 arrivals.

My administration, realising the importance of the tourism sector, reclassified it from [a] social sector [to] an economic sector. Tourism has also been accorded second priority after agriculture in terms of contributing to economic growth and poverty reduction.

As I have always said, tourism as a labour-intensive sector holds enormous potential for increased value added and creation of jobs [because] it has linkages with most of the economic and social sectors. The policy of my administration has been to provide incentives to the industry and to promote private-sector investment while improving basic infrastructure such as roads, airports, and telecommunications. Substantial investment has already been directed towards the upgrading of airports and roads [that] lead to tourist centres.

In the absence of a national airline, the high cost of travel to Zambia has a negative effect on tourism growth. It is for this reason that my government is exploring modalities for establishing a private-sector-driven airline that will be a national flag carrier.

Already the efforts of my administration are yielding positive results. Needless to [say], Zambia was recently ranked in the top-ten tourist destinations of the world and [the] second in Africa. This is, by any measure, a remarkable achievement. Almost half a million international tourist arrivals were recorded in 2003. The Visit Zambia Campaign 2005 is expected to attract another 400,000 visitors as Zambia celebrates the 150th [anniversary] of David Livingstone's visit and the 100th [anniversary of the founding] of Livingstone Town next year.

A tourism credit fund is already operational, and a number of our citizens have benefited from these funds. I am convinced that with the facilitated access to loans, Zambians will venture into [such] areas [as] accommodations, tour operations, travel, and car hire so that benefits of the envisaged boom in tourism will not marginalise our citizens.

In wildlife, most of our communities in our game-management areas are sharing in the benefits accruing from safari hunting through their respective community resource boards.

My administration recognises the fact that tourism can be sustained only if the natural resources on which it is based are sustainably managed. In addition, most of our sectors directly or indirectly depend on natural resources. My

government is implementing programmes in the management of natural resources, including public education and awareness about environmental concerns. A credit facility in the forestry sector has been introduced this year to support Zambians [in] establish[ing] enterprises in forestry while at the same time addressing deforestation.

## INFRASTRUCTURE

### Roads

At independence, the country had only a basic infrastructure. However, over the years the government has made tremendous progress in expanding the infrastructure.

The road network has been upgraded and expanded. However, due to the deferred maintenance of the roads for many decades, rehabilitation and maintenance costs have increased to an unsustainable level.

In order to address the deterioration [of] the road infrastructure in the country, government is implementing the Road Sector Investment Programme (ROADSIP) in two five-year phases; the first phase [was] completed in 2002. The primary goal in phase two, from 2003 to 2007, is to replace all pontoons with bridges.

### Railways

The government embarked on the modernisation of Zambia Railways by replacing the old steam locomotives with diesel-powered locomotives. The railway network was expanded with the construction of the railway line from Kapiri Mposhi to Dar es Salaam.

To enhance the efficiency of the railways, Zambia Railways has been concessioned to a private company, [and] TAZARA [Tanzania-Zambia Railway] has undergone a major restructuring and commercialisation process. My government is committed to ensuring that a turnaround is recorded in the railway subsector.

## ENERGY

In the energy sector, Tazama [Tanzania-Zambia] pipeline was constructed in 1968 to transport crude oil from Tanzania, and this reduced transportation costs. Maamba Collieries was also established in 1968, making the country self-sufficient in coal production, [and] the Kariba North Bank Power Station was commissioned in 1974.

By 1978 Zambia was self-sufficient in both electricity and coal and had established an oil refinery. Zambia had been an importer of electricity at independence, [but] because of the investment in the electricity subsector, Zambia became a net exporter of electricity. The government also embarked on rural electrification to accelerate rural development.

In order to improve efficiency in the energy sector, ZESCO [Zambia Electricity Supply Corporation] is also undergoing commercialisation. In ensuring increased generation of power, government has successfully facilitated the signing of a memorandum of understanding between ZESCO Limited and Sinohydro [China National Water Resources and Hydropower Engineering] Corporation. Through this move, the two corporations will work together in [the] development of the 600-megawatt Kafue Gorge Lower Hydropower Project and the development of smaller hydropower projects in North-Western Province.

## HEALTH

At the time of independence in 1964, Zambia inherited a health-care delivery system [that] was characterised by inequity in the distribution of health facilities in favour of settlers and urban populations.

The Zambian government then embarked on deliberate programmes to redress the imbalances by providing free medical services. New health facilities were constructed in almost all the districts in order to increase access to health services, especially by the rural population.

Between 1970 and the late 1980s, the poor performance of the economy, coupled with the increase in the population, reduced the capacity

for government to maintain the quality of health services at acceptable levels. Following the change of government in 1991, health reforms were introduced as part of the public-service reform programme in order to improve the performance of the health sector.

Some of the major achievements since then include decentralisation of the management of health services through the creation of seventy-two district health boards and twenty hospital management boards. Government strengthened leadership, accountability, and partnership at all levels in the health-care delivery system under the sectorwide approach. The health facility network expanded from 394 hospitals and health centres in 1966 to 1,327 in 2004.

The government also embarked on the construction of health posts for every 3,000 people per [hospital] catchment in order to take health services as close to the family as possible. In addition, the programme to replace diagnostic equipment in hospitals has since commenced in order to improve diagnostic capacity.

Construction of the first-ever cancer centre has commenced at University Teaching Hospital in order to reduce the cost of treating cancer patients abroad. Eight urban health centres have also been upgraded to minihospitals in order to decongest the University Teaching Hospital in Lusaka. Health workers retention and rural housing schemes have been developed in order to motivate staff to work in rural areas. Procurement, storage, and distribution of drugs have been streamlined.

Concerted efforts are being made to retain the gains made under the reforms and [to] strengthen implementation of priority programmes such as [the] rollback malaria [initiative, preventing] tuberculosis, [and improving] maternal and child health under the sectorwide arrangement in order to achieve the Millennium Development Goals.

## HIV/AIDS

The HIV/AIDS pandemic is a major challenge facing our nation today. In Zambia, the first cases

of HIV/AIDS were diagnosed in 1984. The infection rate increased to 26 percent among the population aged fifteen to forty-nine during the 1990s. Recently, the infection rate among this age group was reduced to 16 percent. The advent of HIV/AIDS has led to an increase in tuberculosis cases. The impact on the health-care delivery system is enormous, with more than 50 percent of hospital beds occupied by patients with HIV and AIDS-related illnesses.

The growth of our economy is seriously threatened by the pandemic, which affects the productive age group in our society. The pandemic has also led to the increase in the number of orphans.

In responding to this challenge, my government has established a multisectoral approach in the fight against HIV/AIDS. A cabinet committee of ministers has been established to provide policy direction and guidance in order to coordinate the multisectoral response. The National AIDS Council was established by an act of Parliament in 2002. Since then, HIV/AIDS activities have been mainstreamed in the public and private sectors as well as the civil society.

To mitigate the impact of the pandemic and slow down its effects on the economy, my government has formally introduced antiretroviral therapy in public institutions, and approximately 12,000 HIV-infected people are receiving treatment. The target is that we scale up to 100,000 patients by the end of 2005. I wish to remind all of you that prevention such as changes in sexual behaviour and attitude still remains the most cost-effective method of reversing the pandemic.

## EDUCATION

The education system at independence was characterised by a number of imbalances. These included inadequate infrastructures at all levels, [a] discriminatory system by race and gender, and a totally neglected tertiary level. Out of a total population of over three million Africans, there were only 132,000 and over 5,000 people who had primary and secondary education respectively. The country also had less than one hundred

university graduates. This was in comparison to over 6,000 non-Africans who had completed secondary education. The total population of non-Africans was only 86,900.

In order to redress the situation I have just referred to, government abolished the policy of segregated education, assumed full responsibility for education, and introduced the policy of free basic education. University education was also introduced, and to date the country has three universities, two public and one private, and fourteen public teacher-training colleges. In addition, government has transformed primary and secondary education into basic and high school education respectively, in order to increase enrolment and accelerate the achievement of universal basic education.

At [the] high school level, Zambia had less than fifty schools in 1964. This number grew to 353 by 2003. At basic school level, the number of schools has grown from less than one hundred at independence to about 5,000 in 2003 and enrolls over two million learners. Due to inadequate infrastructure at [the] basic level, government has allowed alternative forms of learning such as open and community schools and [the] interactive radio initiative (IRI). Further, government is implementing a number of interventions and measures such as [the] programme for the advancement of girls' education, the school feeding program, the re-entry policy, and the bursary scheme in order to increase enrolment and retention, especially among girls.

Financing of tertiary education has been done through the provision of bursaries. Since 1962, the Bursaries Committee operated under the Ministry of African Education. This has evolved over time and has to date provided bursaries to over 10,000 students. The Bursaries Committee also facilitates the training of Zambian students abroad, especially [in] Russia, China, Cuba, Turkey, and India. The Bursaries Committee [in] 2004 introduced a loan scheme [for] eligible students [to] access [a] university education.

## THE YOUTH

As we commemorate our independence, we should not lose sight of the spirit of accomplishment and excellence that has been exhibited by the youth of this country, both during the struggle for independence and after. Just to cite a few examples, young men and women of various callings have over the years brought us pride and glory. In this, we salute the achievements of people like Lottie Mwale (Commonwealth boxing gold medalist), Kalusha Bwalya (African footballer of the year 1988), Cherise Makubale (Big Brother Africa winner), Ellen Hight (swimming), Samuel Matete (400 metre hurdles' world champion), Lindiwe Alam (Project Fame winner), and others too numerous to mention.

The youth are an important part of our nation, and my administration will continue to work for their improved welfare by creating opportunities in areas such as education and employment.

## GOVERNANCE

My New Deal administration has embraced the culture of upholding the rule of law—democracy, good governance, and zero tolerance to corruption. In order to undertake these noble obligations, my administration has embarked on a number of reforms, including constitutional [reforms] and decentralisation [of government].

Furthering the effort of good governance, government in 2002 approved the national decentralisation policy. The long-term vision of government is to achieve a fully decentralised and democratically elected system of governance characterised by open, predictable, and transparent policy-making and implementing processes. The policy was launched on 20 August 2004, and implementation is in progress.

In pursuit of zero tolerance [of] corruption, my administration is determined to rid our society of corrupt practices by bringing the suspects to the courts of law. In addition, we have strengthened the strategic and democratic institutions such as the Anti-Corruption Commission, Drug Enforcement Commission, Human Rights

Commission, and the offices of the investigator general and the auditor general.

Since independence in 1964, there have been several attempts to reform the Constitution. The need to reform and change the Constitution arose out of the need to legitimately conform to changing political, social, and economic circumstances. I am happy to inform the nation that my New Deal administration will implement the new Constitution as soon as it is passed by Parliament.

In the government's effort to liberalise the media industry, a number of privately owned media have mushroomed, community radio stations in rural areas have been established, and local-language newspapers have been reintroduced. Zambia is quickly becoming a more informed nation.

My New Deal administration recognises the media as an institution of democracy and good governance. I also look back with nostalgia to the days when mobile cinema was being shown in rural areas and look forward to its reintroduction.

## CONCLUSION

The elimination of poverty and fighting the HIV/AIDS pandemic remain the central objectives of my administration. Their elimination is fundamental to the realisation of the goal of restoring the dignity of all our people. As we mark the four decades of freedom, peace, and pride, the need for an economic transformation that brings about effective and significant contributions towards poverty reduction becomes even more pressing.

I am convinced that it is in the interest of all citizens of this country that my administration succeed. I want to assure you that through strong partnerships among all Zambians, we can forge ahead with a stable and growing economy. This will erase the stagnation of the past and draw us all in to a more prosperous future. I want to believe that it is only by doing so that we will live the dream of those who fought for our independence.

Over the past thirty-four months of my administration, we have worked hard to lay the basis for the advances we must make to meet the goal of a better life for all. At the centre of this are related objectives of the eradication of poverty and the fundamental transformation of our economy. I have no doubt that our policies are a correct response to the practical reality my administration inherited.

I wish you all a pleasant fortieth independence anniversary.

I thank you, and may God bless you all.