

# Privatisation as an Engine of Economic Diversification in Kabwe District of Central Zambia

Silongwa Simakando & Lucy Kamboni

*Kwame Nkrumah University, Zambia*

**Abstract** - This study aimed at assessing privatisation as an engine of economic diversification in Kabwe District of Central Zambia. Despite some studies arguing that privatisation subjected former employees to harsh economic conditions due to the loss of their jobs, this study argues that privatisation was an engine of economic diversification in Kabwe. This was because privatisation opened up new doors for former workers to come up with other economic activities that enabled them to earn a living. Instead of experiencing economic retrogression as suggested by some studies, former workers from the privatised parastatals engaged themselves in other economic activities like trading and farming which enabled them to live far much better lives as compared to the time when they were still in employment. The study further discusses that privatisation benefited not only former workers, but the entire community of Kabwe District. Apart from the people of Kabwe, Zambia at large and other parts of the world benefitted from the privatisation of Kabwe's parastatals. Therefore, the findings of this study will help people within and outside Kabwe to appreciate privatisation as a blessing and not a curse.

**KEY WORDS:** Privatisation, engine, parastatal, economic, farming

## I. INTRODUCTION

In the first few years after independence, the Zambian economy was purely dependent on copper as its major export. Just like other African countries which incorporated mixed economic systems, the Zambian economy had been distinguished by the growing of public enterprise sector. Zambia had a lot of vibrant private sector which prospered largely on account of the economic liberalization system which was in place at that time. This means that the country's national economy was certainly on the path of prosperity. Sakala (2001:5) states the local currency enjoyed unparalleled strength exchanging at about 45 Ngwee per 1 US Dollar and goods were reasonably priced and within the reach of the people.

Nevertheless, this vibrant economy was eventually lost due to unstable policies. According to Craig (2000:357), between 1968 and 1972, under the leadership of President Kenneth Kaunda, Zambia enacted a politically inspired programme of nationalization, where the government acquired a controlling interest in many of the most important private sector including the copper mining companies. More than 80 per cent of the Zambian economic activity was run by the public sector whereas the remaining 20 per cent was in the hands of the private sector. By so doing, this became the beginning of the collapse of the industrial and business sectors in Zambia. It is

vital to note that the activities of the public enterprises were distributed across the sectors of the economy which included transport, agriculture, mining, energy, trade, construction, communication, tourism and others. According to Kaunga (2005:272):

These public enterprises were grouped under the Zambia Industrial and Mining Corporation Limited (ZIMCO), a state holding company charged with the responsibility of supervising and monitoring these enterprises and carrying out economic investment activities on behalf of the Zambian government. Some of the sub-holding companies under ZIMCO were Zambia Consolidated Copper Mines Limited (ZCCM Ltd) for the mining sector, Industrial Development Company (INDECO) for Industry, National Hotels Development Corporation (NHDC) for hotels and tourism and National Import and Export Corporation (NIEC) for trading.

Kaunga (ibid) further stresses that the monitoring role of ZIMCO under sectoral executive directorates placed parastatal companies for the first time under a full time business-oriented management set up. This saw most of the main enterprises in the economy under state ownership. Sakala (2001:17) suggests that the nationalisation of parastatals deprived companies of their effectiveness. At the close of the 1980s, the nationalised companies had gradually been turned into nothing more than perpetual loss makers and debt accumulators.

## II. REASONS FOR PRIVATISING PARASTATALS

Before the birth of privatisation in Zambia, Kabwe was one of the hubs of Zambian industries. Among the flourishing industries/companies that existed in the town included Mulungushi Textiles, Zambia Railways Limited, Kabwe Industrial Fabrics, National Milling, General Pharmaceuticals, Kabwe Mine, Elephant's Head Hotel, National Breweries and others. These industries/companies contributed massively to the economic growth of Kabwe and the country at large.

Fraser (2005:29) highlights that beginning 1975, Zambia's economy underwent a world record decline with its Gross Domestic Product (GDP) falling by 0.8 per cent between 1970 and 1975, 3.1 per cent between 1976 and 1990 and 7.2 per cent between 1991 and 1999. Much of the blame for the decline of the country's GDP was due to the decline in international copper price. This brought an elongated slump to the entire economy because at that time mining was the

backbone of the Zambian economy. Suffice to state that the Zambian government had no control over the decline and stagnation of the copper price. This led to the country's reliance on western donors and International Financial Institutions. With the continued fall of the price of copper, the economic basis of the country went down and the Zambian government under the reign of President Kenneth Kaunda of the United National Independence Party (UNIP) borrowed widely in order to subsidise unprofitable state companies.

With the above challenges, the Zambian government labored to reinstate the state owned enterprises by working with the World Bank and other donors. However, these efforts proved to be inadequate. The world Bank came in and advised the country to come up with Zambia Consolidated Copper Mines (ZCCM) in 1982. However, ZCCM's foreign exchange income was misused by UNIP to fund the one party state; the subsequent lack of re-investment made the copper mines increasingly inefficient and unproductive (Aron:29). The result of this was a slash in state funding of health, education and food which fueled dissatisfaction among citizens. These cuts in funding of the education and health sectors had serious negative consequence. Sakala (2001:71) stipulates that:

In the health sector for example, buildings had been allowed to crumble into serious disrepair, while beds, mattresses, not to mention linen, had become rare and were in most hospitals virtually non-existent. In schools, the specter of pupils sitting on a cold and sometimes sodden floor facing a blank wall without a blackboard was the country's biggest and most distracting visual eyesore.

From 1985 financial difficulties and donor pressure led to the imposition of fees for health and education services which were not previously there. Moreover, there was a reduction of subsidies to essential goods. This resulted into some strikes and rioting by 1991. Since the economy was not doing well, the Zambian government had to privatise some parastatals as it was one of the demands from the donors. Musambachime (1999:7) states that:

To encourage this new policy, the World Bank, International Monetary Fund (IMF), United States International Agency for Development (USAID) and donor agencies made privatisation a condition for lending money or giving aid to developing countries. Virtually all countries in Africa, parts of Asia and Latin America abided by this requirement.

Just before the 1991 multiparty elections in Zambia, majority of the parastatal companies were almost closing due to scarce re-capitalization by government. The other challenge that contributed to the poor performance by these firms was gross inefficiency on the part of management and staff. These companies were heavily indebted and continued to incur unbearable losses. Sakala (2001:56) states that:

Between October 1979 and February, 1982, the National Agriculture Marketing Board (NAMBOARD) employees

misappropriated agricultural inputs and other stock worth K179,883 at its depots in Kabwe, Luanshya, Chingola, Shamabale and Lusaka, while dishonored and returned cheques amounted to K170,253 by June 1982.

In addition, it was common for these parastatal companies to continuously rely on government financial support despite not yielding returns for the support given. Their subscription to the government treasury was insignificant in relation to the huge investment that the government put in. Majority of these parastatal companies were operating at a very low capacity. Consequently, government coffers were exhausted of its limited resources through subsidies to these parastatal companies backed by non-payment of taxes by the sector.

With all these problems in the economy, an immediate need for change of government arose in Zambia leading to the birth of the Movement for Multiparty Democracy (MMD) which ushered in the MMD government in October, 1991 under the leadership of Frederick Titus Jacob Chiluba, commonly known as FTJ. Sakala (ibid:69) puts it that when the MMD assumed power, it inherited an economy with a debt of more than US\$7 Billion which had to be repaid. With this state of affairs, Zambia was no longer eligible for external borrowing. When an evaluation was done by the MMD government of this retrogressive economic disposition it was proved that the parastatals were not contributing as expected to sustainable economic development in Zambia. Therefore, the new MMD government came up with fresh ideas of adopting the Structural Adjustment Programme (SAP) whose main purpose was to make sure that the country's human and natural resources were put to good use. Therefore, one of the conditionalities in SAP was privatisation of government owned companies.

Privatisation has no single definition. Musambachime (1999:13) defines it as:

Both an economic concept and measure and an economic and political process which changes the distribution of power within a given society. It is a process in which the government removes itself from involvement in the economic sector to do what it knows best, to govern and create an enabling environment for the private sector to invest and expand.

With the need to put government parastatals into private hands, the Zambia Privatisation Agency was established in June 1992 by an Act of parliament. Sakala (2001:37) states that its main objective was to reduce governments' direct involvement in economic activities and corresponding its administrative load; reduce government budgeting costs arising from subsidies and expenditures; promote competition and improve the efficiency of enterprise operations among others. By 31<sup>st</sup> December, 2000, most formally state-owned companies and units had been privatised.

### III. POST-PRIVATISATION ECONOMIC DIVERSIFICATION

Despite a lot of convincing reasons that have been put across leading to the privatisation of parastatals, privatisation has been negatively viewed by many scholars and some of the people that were directly or indirectly affected by it. Readings from different books, newspapers, magazines and other online materials gives a sad story about privatisation. According to Lamar (2005:30), “the result has been a massive contraction in the economy and a marked decline in employment and living standards.” This, according to Lamar, is a clear indication that there was a lot of vulnerability since people no longer had jobs which would enable them to earn a living and hence being subjected to suffering. To further augment the evils associated with privatisation, Lamar (ibid) laments that:

State companies, established to provide essential goods in a closed economy, were unable to compete against the products of multinational corporations that now had unrestricted access to Zambian markets. Most have now either closed or dramatically reduced output, and formal sector employment has halved as a consequent. Workers retrenched from such companies have not received the terminal benefits to which they are legally entitled.

Moreover, revelations from most former parastatal employees and their relatives also give a very negative impression about privatisation. This is because of the many sufferings they have been subjected to by privatisation.

However, despite having been branded as an evil activity that brought a lot of harm on the lives of many Zambians, privatisation has had its positive side on the people of Kabwe and other parts of the world. Looking at privatisation positively, Filipovic (2006:1) stated that privatisation appears to be a factor that could play a serious role in the quest for growth. Lamar (2005:31) puts it that although privatisation did not benefit most Zambians, those with access to capital took an opportunity to further enrich themselves through the privatisation process. Notwithstanding the fact that Lamar was referring to people who benefitted from privatisation by buying some parastatals, the fact is that there are some people who were positively affected by privatisation in the sense that they were able to engage themselves in other economic activities that have seen the economy of Kabwe and other parts of the world improve. This is evident through a number of economic activities in which former parastatal employees engaged in following the loss of their jobs. Musambachime (1999:26-27) elucidates that:

From various studies it has undertaken or initiated, the ZPA is convinced that privatisation has brought a substantial number of changes that are beneficial to the economy. For example, in Zambia it has ... increased competition. It has brought in major investments into the economy; it has allowed new entrepreneurs to become actively involved in the economy. In the long run, this will

contribute to economic growth and increase the number of Zambian shareholders in private companies....

It is cardinal to state that some economic activities done by some of the former employees of State owned companies have transformed many lives of the people of Kabwe and even beyond. In short, some of the economic activities like farming, hospitality, industrialisation and others in which former employees of parastatals engaged in have tremendously contributed to the growth of the economy of Kabwe hence qualifying privatisation as an engine of economic diversification in Kabwe District. According to Mweemba (2021), “privatisation gave me ample time to concentrate on my businesses. Without privatisation, I was going to be glued to my work place such that I was not going to have time to improve my farms and school.” Therefore, this paper argues that privatisation was an engine or a tool through which diversification was achieved in Kabwe.

One of the major economic activities performed by State Owned Enterprises (SOEs) employees who lost their jobs through privatisation was agriculture. Within agriculture, there were some people who went into animal husbandry whereas others did crop production. When asked to mention how privatisation helped him to prosper in life, Mweemba (ibid) stated that as soon as he lost his job in 2010, he had to look for other economic activities that would help him earn a living of which agriculture was his priority.

As earlier mentioned, most of the interviewed people, if not all of them, did one or more agricultural activities. To start with, those who went into crop production greatly contributed to the food basket of Kabwe and other parts of the country because their crops were sold on the market within and outside the country. In short, their involvement in agriculture reduced food shortages on the market. By so doing, malnutrition and other hunger related challenges were reduced. The second group of farmers dealt with animal production. Under this group, cattle, goats, sheep and pigs were the common animals that these former government workers kept. The availability of these animals helped the people to have access to milk, meat and other dairy products. The availability of these dairy products on the market contributed to the growth of the economy of Kabwe.

Besides contributing to the food basket of the country, the involvement of these former government employees in agriculture created some job opportunities for the people of Kabwe. The local people were employed as farm workers who did a lot of activities on the farms. Some were employed as guards, while others worked as land tillers. Moreover, others worked as herders for the animals. Through the involvement of these former government workers in agriculture, their employees had an opportunity of getting jobs which they would not have found if privatisation never took place. The availability of these jobs enabled the farm workers to earn money which was later injected into the economy of Kabwe as these workers went to buy goods from shops and other sources. Therefore, privatisation was an engine of economic

diversification in Kabwe as it enabled former government workers to get involved in agriculture which they never did when they were still working in government.

The other area of economic diversification ventured into by some people that were affected by privatisation was education. Mascort Mweemba is one such a person who seriously ventured into education following the loss of his job at Zambia Railways Limited (ZRL). Mweemba owns one of the best private schools in Kabwe called Rosehill, located within the heart of Kabwe in a township called Highridge. Cardinal it is to mention that Rosehill was opened in 2009, before Mweemba stopped work at ZRL. However, the school was not doing very fine because of his commitment at his former workplace. As soon as he stopped work, he ensured that he directed his energies towards improving his school to an extent that today it is one of the best private schools running from Pre-School to Grade Seven.

Rosehill Private School has greatly contributed to the welfare of the people of Kabwe and even beyond. First, the school has given an opportunity to the people of Kabwe, who may not want to take their children to government schools, to take them to a private school. This is a plus on the people of Kabwe because Rosehill Private School has provided them with an alternative to take their children to a private school. Other than just giving people a choice between private and government schools, the management of Rosehill has helped some 'potential street kids' to have access to good education. Some children that come from less privileged families are given bursaries. In other words, some pupils that are identified to have challenges with payment of school fees are allowed to access education without paying anything.

The other crucial aspect of life that Rosehill has contributed to the economy of Kabwe is the provision of jobs. Teachers, cleaners, cashiers/accountants and security guards are among such people that have been given an opportunity to get jobs from this school. With the availability of these jobs, different people within and outside Kabwe benefit from the presence of Rosehill School. The business community and the general public have directly or indirectly benefited from the establishment of this school. As at now, Rosehill school has a total number of eighteen employees. When these are paid, they inject their money into the economy of Kabwe.

Apart from Mweemba, the other person who lost his job through privatisation and has ventured into education as a business is Vincent Kawayo, commonly known as V.K. Kawayo is one of the prominent businessmen in Kabwe. He used to work in Kabwe for Elephant's Head Hotel, now Tuskers, before it was privatised. Following the loss of his job in 1990, Kawayo opened Mutelo and Lilies Private Schools. On top of the two private schools, he also opened a College of Education called V.K. in 2015. The opening of these schools and a college is a serious move towards economic diversification by a former government employee. Just like Rosehill School, the establishment of these schools and a college gave the people of Kabwe and other parts of the

country access to education in a private school/college. Apart from giving people access to private education, Kawayo created job opportunities for the people of Kabwe. Today, Kawayo has a total number of twenty employees who are working in his schools. This number includes teachers, cleaners, drivers, cashiers and many more. Through this economic diversification, illiteracy has been reduced among the children who have gone to these schools.

The argument that privatisation is an engine of economic diversification in Kabwe is therefore true because without privatisation Kawayo and Mweemba would not have opened these schools and a College of Education. This is because they would have been committed with their jobs in government companies. Indeed, privatisation has helped some people in Kabwe to diversify their economic activities from what they originally did to something new.

The hospitality industry has not been left out in the economic diversification that is under discussion in this article. Apart from venturing into education as discussed above, Kawayo further ventured into the hospitality industry where he has built three Motels which have a total of eighty-five rooms. On top of the guest rooms, he has conference rooms, restaurants, swimming pools and bars. It must be understood that before privatisation took place, Kawayo never had any dream of establishing his own businesses in the hospitality industry. With the coming of privatisation under the Movement for Multi-Party Democracy government, Kawayo had no option but to venture into the hospitality industry. When asked to elaborate on how he started his businesses, Kawayo (2021) stated that having lost his job at Elephants' Head Hotel could not allow him to sit home without doing something economical. Instead, he decided to use the money he got as terminal benefits to build a Motel.

The establishment of these Motels has greatly contributed to the well-being of the residents of Kabwe and those from other parts of the country. To start with, job creation is key in this regard. More than twenty people have been employed in Kawayo's Motels. These people work in these Motels as receptionists, cooks, waiters, cleaners, security guards, barmen/women and many more. The availability of jobs on the Zambian market following privatisation is in line with Zambian Economic Report which stated that, "with economic activity expected to pick up strongly in 1998, job opportunities are expected on a large scale" (Government of Zambia:1997).

The provision of jobs by Kawayo to the people of Kabwe has made their lives better. This is because they have a monthly salary which enables them to buy food, pay school fees for their children, pay water and electricity bills, rentals and meet other costs in life. This has helped the government to reduce on the numbers of unemployed people.

Apart from creation of jobs, Kawayo's motels have guestrooms which have helped people from different parts of the world to find accommodation in Kabwe. This is a serious

contribution to the well-being of the people as they are provided with accommodation whenever need arises. The conference rooms in these Motels are very cardinal as they are used for meetings by people in larger groups. The bars and swimming pools are recreational facilities to the people. Finally, the restaurants are a source of food to the people who lodge at these Motels or even those who would just wish to feed from an environment outside home.

Having discussed the involvement of Kawayo in the hospitality industry following the loss of his job through privatisation, it is fundamental to state that privatisation was an engine to economic diversification in Kabwe. This is because, had it not been for losing his job through privatisation, Kawayo would not have thought of being involved in other economic activities. Consequently, privatisation should be appreciated because it contributed to diversification of economic activities of some people since they needed to do something for them to earn a living.

The other crucial area of economic diversification in Kabwe is industrialisation or mechanisation. Two prominent people, Phillip Zulu and Davis Hamakoko, have done well economically in the field of industrialisation. Zulu, to start with, is a former employee of Kabwe Industrial Fabrics Company (KIFCO). As soon as he left employment, he established his own company called Solid Tech Systems where he produces a number of goods. This company produces a lot of products some of which have never been produced by any other company in Zambia. One of the major economic activities performed at Solid Tech Systems is recycling of plastic papers and bottles into other useable products. Among the plastic products produced from the recycled plastics include machine gears, table and chair shoes, pavers, septic tank covers, fridge and stove palates, curtain rails, plaster's trowels, tomato polls, round poly twine ropes and many more. The other products include plastic benches, desks and boards. Some of these products are not only beneficial to the people of Kabwe but the whole country and even beyond. To qualify this point, Zulu (2021) stated that:

In spite of the fact that my company is small, it produces products that are on the market all over the country and even beyond. My products, especially round poly twine ropes, are found in most of the shops in the country. Unlike the corn shaped ones which come from China, I am the only one who produces round poly twine ropes in Zambia. I supply them to all the parts of the country. Farmers use them to seal bags of maize, rice, soya beans and other farm products. Outside the country, Democratic Republic of Congo (DRC), is my main buyer of poly twine ropes.

Looking at how Zulu's company has contributed to the well-being of the people of Kabwe, Zambia at large and even other countries, it can safely be concluded that privatisation was a blessing in disguise to the Zambian people because it has contributed to economic diversification. Without the establishment of Solid Tech Systems in Kabwe, the above

mentioned products were not going to be easily accessed. Moreover, the establishment of this company has created job opportunities for the people of Kabwe. "My company has twenty employees. On average, if each worker has a family of seven members, it means about 140 people are benefitting from my company" (ibid).

Other than employment opportunities, Solid Tech Systems has seriously contributed to keeping Kabwe clean. From the time the company started serious recycling of plastics, a positive change in terms of the town being free from plastic papers and bottles has been observed in Kabwe. This is because a lot of unemployed youths and women move around town picking plastics which they later sell to Solid Tech Systems. The company buys plastics at One kwacha fifty ngwee (K1.50) per kilogram. This means on top of the 140 people who are assumed to benefit directly from the company, there is also a big number of people that are not employed by the company who are in the business of picking plastics and then sell them to the company. This also is a form of an employment opportunity given to the people of Kabwe.

Furthermore, this company, and others, have contributed greatly to government coffers through the taxes they pay. Moreover, Zambia Electricity Supply Corporation (ZESCO), a company that supplies electricity to the Zambians, has seriously benefitted from Solid Tech Systems. Solid Tech Systems pays huge sums of money every month to ZESCO since the company uses a lot of electricity due to the machines used. All in all, the establishment of this company in Kabwe has greatly contributed to the growth of the economy, not only in Kabwe but the whole country and even abroad.

Other than Zulu, the other prominent figure in the field of industrialisation who was affected by privatisation is Davis Hamakoko, a former employee of Zambia Railways Limited (ZRL). Following the loss of his job through privatisation, Hamakoko opened a machine shop called Hams D Machining and General Dealers. This he managed to easily do because he is a trained machinist from the University of Zambia. In addition, he worked as a machinist for many years under ZRL. Hams D Machining and General Dealers offers a lot of services to the people of Kabwe and Zambia at large. This is a unique shop that makes nuts, bolts and bushes. Besides, the machine shop reconditions brake disks and wheel drums.

Just like Solid Tech Systems, Hams D Machining and General Dealers is of great help to the people of Kabwe and the surrounding areas. To start with, reconditioning of wheel drums and brake disks is only done by Hams D Machining and General Dealers in Kabwe. This entails that the absence of this shop would mean that the people of Kabwe were only going to manage to recondition their wheel drums and brake disks in other towns which would be an extra cost on them. The production of nuts and bolts is an important aspect in the economy of Zambia. Some companies like Lusemfwa Hydro Power Station purely depend on this company for its bolts and nuts which are of unique sizes. Made from ordinary metals, the bolts and nuts produced by this machine shop are very

durable. “Unlike the weak Chinese bolts and nuts that have flooded the Zambian market, the ones I produce are very durable. It is for this reason that they are loved by many people in the country” (Hamakoko:2021). Without this company in Kabwe, Lusemfw Hydro Power Station was going to have challenges in accessing the nuts and bolts it requires. Other than the above services, this company has also provided employment opportunities to the people of Kabwe. A number of people are making a living through their earnings from this company.

From the above discussion, it can be concluded that privatisation is an engine to economic diversification as it has allowed people like Hamakoko to set up companies that have greatly contributed to the economy of Kabwe and other parts of the country. If Hamakoko never lost his job through privatisation, he was not going to have the initiative to come up with his company and this would mean that the people of Kabwe and other surrounding areas would have had challenges accessing the services his company offers. Privatisation is indeed a tool for economic diversification in Kabwe.

The other person who has contributed to the growth of the economy of Kabwe is Melvin Munde. Munde is a former employee of Zambia Railways Limited. Just like the other people discussed above who, through privatisation, have contributed to the economic growth of Kabwe, Munde has his own share of contribution to the growth of the economy of Kabwe. When asked to explain how privatisation has positively helped him, Munde (2021) had this to say:

Privatisation has helped me to succeed in life. Before I stopped working for Zambia Railways Limited, I was not doing any other economic activity to contribute towards my well-being. My life was purely dependent upon the salary I was earning from Zambia Railways. Moreover, I had no house of my own. However, as soon as I was out of employment, I thought of doing something to earn a living. From the activities I am doing today, I have managed to buy land and have built some houses. My life is far much better than it was when I was still working for the government.

Munde is a craftsman who offers a number of services to the people of Kabwe. As soon as he stopped working for Zambia Railways, he started working for himself as a craftsman. Some of the services he offered to the people of Kabwe included painting, decorating and sign post writing. Having grown up in age, he has stopped offering the above services. Currently, he runs a carpentry workshop and a restaurant. From his carpentry workshop, Munde produces nice chairs that he supplies to the people of Kabwe and the surrounding areas. His restaurant, known as Lusmel, is a source of good food for the people of Kabwe and others from other towns. In addition, Lusmel is used on Saturdays and Sundays for wedding and kitchen party receptions as it is big enough to accommodate many people. Munde, just like the other people discussed above, provides employment opportunities to the people of

Kabwe. Many people are employed to work in his carpentry shop and the restaurant.

#### IV. CONCLUSION

Unlike other researches that have concentrated much on the negative aspects of privatisation, this research has delved into its positive aspects. It has been discovered that despite some serious challenges that came following privatisation, there are some people who lost their jobs but have managed to stand strong and have managed to do well economically. The study has revealed that the former government employees discussed in this paper, who lost their jobs through privatisation, came up with other economic activities in order for them to earn a living. In other words, privatisation helped them to involve themselves in economic diversification. Through diversification, these former government workers have managed to offer different services to the community of Kabwe and its surrounding areas. Moreover, some of the services they offer are not restricted to Zambia. Other countries have managed to benefit from such services. A good example is that of the round poly twine ropes produced by Zulu. These ropes are sold in Zambia and the Democratic Republic of Congo. Finally, one of the fundamental services offered by all the people discussed in this article is job creation. It has been observed that as soon as these people lost their jobs they became employers of people within and outside Kabwe. This paper therefore argues that privatisation should not be labeled as an evil act because it has greatly contributed to Kabwe’s economic diversification whereby employees who were affected by privatisation managed to engage in other economic activities like farming, hospitality, industrialisation and many more.

#### BIBLIOGRAPHY

##### Oral Sources

- [1] Interview with Davis Hamakoko on 22<sup>nd</sup> December, 2020.
- [2] Interview with Melvin Munde on 18<sup>th</sup> January, 2021.
- [3] Interview with Vincent Kawayo on 17<sup>th</sup> February, 2021.
- [4] Interview with Zulu on 18<sup>th</sup> April, 2021.
- [5] Interview with Mascort Mweemba on 14<sup>th</sup> May, 2021.

##### Books

1. Government of Zambia, (1997). Economic Report.
2. Sakala, L. R., (2001). *Difficult Decisions Changing a Nation*. London: Sentor Publishing.

##### Seminar Papers

1. Craig, J., (2000). Evaluating Privatisation in Zambia: A Tale of Two Processes. *Review of African Political Economy*. Vol.27. No.85.
2. Filipovic A., (2006). "Impact of Privatisation on Economic Growth," *Undergraduate Economic Review*: Vol. 2: Iss. 1, Article 7.
3. Lamer M., (2005). ‘Reaction and Resistance to Neo-Liberalism in Zambia’, *Review of African Political Economy*, Vol. 32. No. 103, *Imperialism and African Social Formations*.
4. Musambachime, C., M., (1999). ‘Africanus, Vol. 29 (1)’, *Journal of Development Administration*.
5. Ramanadham, V.V., (ed.), (2005). *Privatisation; A Global Perspective*. London: Routledge.