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SCHOOL OF BUSINESS, ECONOMICS AND LAW

Economic development in Zambia

The importance of understanding the past to
understand the present

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Abstract

Background and problem: Several scholars have been trying to explain economic development and why it is flourishing in some areas and lagging behind in others. The link between Africa's colonial background and its slow economic development has been established by multiple scholars. This previous research is however made on a quite broad level and we wish to narrow it down in our thesis. There is a gap in the current research concerning this matter and this thesis aims to fill this gap by providing research on a more sector specific level.

Purpose and research question: This thesis will investigate different sectors that all have had a big impact on Zambia's economic development since independence. The purpose of this thesis is to determine which sector that has affected Zambia's economic development the most since independence, with objective of providing guidance for further research.

Methodology: A qualitative case study has been conducted. Data was gathered from primary and secondary sources. The empirical findings were then through a template analysis compared with the theoretical framework. We used a template analysis which is highly flexible and combines the inductive and the deductive approach which is suitable for us since we have an abductive approach.

Results and conclusion: The results from this thesis reveal that the mining sector is the sector that has affected Zambia's economic development the most since independence. This conclusion gets support from the fact that 75% of Zambia's total export earnings comes from copper and that Zambia's GDP still correlates to the copper price. The unbalanced growth theory made it clear that the mining sector affects the other sectors more than they affect the mining sector. This together with the problematic Western influence over the sector, which was emphasised by postcolonialism and the dependency theory are further arguments that support the statement that mining is the sector that has affected the economic development in Zambia the most since independence.

Key words

Zambia, Economic development, Postcolonialism, Mining

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1. Introduction

1.1 Background

In a famous speech in 1949 Harry Truman, the American president, divided the world into two parts when he described the southern hemisphere as underdeveloped (Sachs, 1992). Since then, the world has changed in many ways but the terms developed, developing and underdeveloped are still used when describing countries. The pace of development has varied a lot between different regions of the world and has been especially slow in Africa (Bertocchi & Canova, 2002).

Many scholars have been trying to explain economic development, why it is flourishing in some areas and lagging behind in others (Bertocchi et al., 2002; Lange, Mahoney & vom Hau, 2006). The current world order consists of a developed Western world and an underdeveloped non-Western world and between the two exist an unequal relationship. These structures extend far back in history and some critics argue that the Western development has caused the underdevelopment of the non-Western world (Ghosh, 2001; Isbister, 1991). The Western world is claimed to grow by the expropriation and depletion of the third world, an expropriation that was very clear during the colonial era but that some argue still is present today, albeit in a more subtle way (Ghosh 2001; Young 2001). To be able to understand the ongoing lagging economic development of the underdeveloped non-Western world must the importance of the past be manifested and taken into account. Therefore, some rather recent research has started to emerge which acknowledges the past's effects upon the present, and the link between the two has in recent years been further highlighted when discussing economic development (Sachs & Warner, 1997; Bertocchi, 1998; Englebert, 2000). As a result, research covering the link between historical events and economic development is relatively new. Acemoglu, Johnson. & Robinson (2001, 2005) as well as Engerman & Sokoloff (1997, 2002) are considered to be among the pioneers in this field of research. Common denominator for these studies is the acknowledged importance of Africa's colonial heritage when explaining its present economic development. Most of the countries that today are classified as low-income countries by the World Bank are former colonies (Chartsbin, 2016). A growing field of scholars argue that Africa's colonial heritage has affected its slow economic development (Bertocchi et al., 2002; Sachs et al., 1997). It seems like it is necessary to understand the past and acknowledge its importance in order to fully explain the present economic development of a former colony.

1.2 Problematization

The link between Africa's colonial background and its slow economic development has been established by multiple scholars (Bertocchi et al., 2002; Sachs et al., 1997). However, there is a lack of research in some areas. Most of the research conducted is done on Africa, mostly sub-Saharan Africa, and is therefore quite broad. Also, most of the research mainly establish that there is a link between Africa's colonial past and its economic development, but there is little research done on a more specific level. Most of Africa was colonised by Great Britain and France, but also by Portugal and Belgium. There was a great difference between how the different rulers treated their colonies, and also a variance in how one ruler treated their own colonies. Lange et al (2006) conducted a study in which colonies are divided into different sections, those who had a high level of liberal colonialism and those who had a low level. The outcome of this study shows that there is a great difference in how the ruler and their way of ruling affected the colonies, and Lange et al (2006) advise that further research should greatly consider this. We believe that one way of doing so is by focus solely on one specific country, rather than the whole sub-Saharan Africa as a lot of the previous research has done. We have therefore chosen to do a case study of Zambia, which is a former British colony with a low level of liberal colonialism (Lange et al., 2006).

There have been some research concerning Zambia by for example Andersson, Bigsten & Persson (2000) where the link between a colonial past and an economic development is discussed. This is however on a quite broad level. We wish in our thesis to narrow it down and our thesis will therefore aim to answer which specific sector that has affected Zambia's economic development the most since independence, regardless if the effects has been positive or negative. There is a gap in the current research concerning this matter and this thesis aims to fill this gap by providing research on a more sector specific level. The connection between economic development and colonial history is established and thus a historical perspective is vital to determine which sector that has affected Zambia's economic development the most since independence. We believe that this thesis is relevant since a more detailed knowledge regarding the impact of specific sectors upon economic development is important for Zambia's future progress. However, to find out which sector that has affected Zambia's economic development the most, several sectors need to be researched. Therefore, this thesis will not be able to elaborate to much on just one specific sector but will instead investigate multiple sector to determine the most important one. This sector will then be

suggested for further research that can provide detailed knowledge of Zambia's most important sector which we believe is important for Zambia's future development. Our thesis can therefore be seen as a middle-step in the research chain, where we try to narrow down the existing research into the highlighting of one specific sector that has affected the economic development in Zambia the most since independence.

1.3 Purpose

This thesis will investigate different sectors that all have had a big impact on Zambia's economic development since independence. The purpose of this thesis is to determine which sector that has affected Zambia's economic development the most since independence, with objective of providing guidance for further research.

1.4 Research question

Which sector has affected Zambia's economic development the most since independence?

1.5 Thesis structure

1. Introduction - This chapter provides a background of the link between economic development and colonisation. We discuss the gap in the research field which we aim to fill and also present the purpose and the research question of this thesis.

2. Methodology - This chapter will present the methods we choose to apply during our thesis. We will also describe how the empirical material was collected and then analysed.

3. Theoretical framework - The chapter starts with a definition of the term economic development. We then present the theories we have chose to apply to our thesis.

4. Empirical studies - This chapter has the structure of a funnel, it starts broad with a description of the colonisation's influence of Africa. The chapter is then narrowed down to focus solely on Zambia and the last four subsections present the four chosen sectors.

5. Analysis - The purpose of this chapter is to connect our theoretical framework with what have been discussed in the empirical studies.

6. Conclusion - In this final chapter, we will conclude what we have arrived to. We will answer our research question and provide suggestions for further research.

2. Methodology

2.1 Scientific approach

We have chosen to use a hermeneutic approach since this approach can be used to interpret the empirical findings in relation to the theoretical framework. A hermeneutic approach has the ability to interpret a text from a historical as well as a social perspective (Collis & Hussey 2014) and it also acknowledges the fact that gender, experiences and culture affects how we translate certain information (Eriksson & Kovalainen, 2008). The understanding of human actions and intentions are important within this approach. The so called hermeneutic circle refers to the process of understanding during the research process. This means that the researchers gain an increased understanding of the subject during the research activities (ibid).

We believe that the hermeneutic approach is the most suitable for our thesis since we will compare the empirical findings with the theoretical framework and aim to understand how the two relate to each other. The acknowledgement that a person's gender, experience and culture affects its interpretation of a subject is in line with postcolonial as well as dependency theory, which makes the hermeneutic approach further suitable for our thesis.

2.2 Research method

Collis et al. (2014) describe method as a technique to collect and analyse data. The two most common methods are the qualitative and the quantitative method (Bryman & Bell, 2013). However, a mix between them both can also be used, a so called mixed method (Saunders, Lewis & Thornhill, 2009). Statistical, mathematical or numerical analyses gathered through surveys are examples of quantitative processes, that are conducted in order to explain a certain phenomenon (Muijs, 2004). A qualitative process is more focused upon words and is often used when the empirical part is based upon primary sources but can be used when the research is based upon secondary sources as well (Bryman et al., 2013). The mixed method is, as the name implies, a combination between the two. There is a variation in how much the two are mixed, sometimes the quantitative data are analysed quantitatively and vice versa, but if you chose to conduct the mixed-model research the quantitative data can be qualitatively analysed and vice versa (Saunders et al., 2009).

We have chosen to conduct a qualitative research method. A characteristic in qualitative research is that the emphasis is put upon understanding the social environment of those who are targeted by the conducted research (Bryman et al., 2013). Since the purpose of this thesis is to determine which sectors that has had the most impact on Zambia's economic development since independence, it is important to have a deep understanding of how the different sectors have been affected by the colonisation. In order to achieve this, we believe a qualitative method is the most beneficial method.

2.3 Research approach

The two most common research approaches are the deductive and the inductive approach (Bryman et al., 2013). The deductive research approach is the most common in natural science (Saunders et al., 2009). When conducting a deductive research approach, the researcher executes research from existing hypotheses and then tests them through empirical observations. The inductive approach emerged from the uplift of social science during the 20th century (ibid). It focuses on empirical results and tries to explain the reality from them (Bryman et al., 2013). A third approach is the abductive approach, which can be seen as a mix of the two (Dubois & Gadde, 2002). We have chosen to use an abductive approach in our thesis. This is recommended since it provides us to use the strength from the two approaches. This also provides greater freedom in the thesis since we will not be tied to any of the two more strict approaches (Saunders et al., 2009).

2.4 Research strategy

2.4.1 Single case study

We have chosen a case study as our research strategy. A case study is beneficial since it has the ability to use a variety of methods in order to investigate one single phenomenon (Bryman et al., 2013). The collection of empirical data can vary in a case study, the use of primary as well as secondary sources are common (Saunders et al., 2009). A case study is either a single case or a multiple case study, we have chosen the former one. We believe that focusing on one country make the thesis more narrow and easier to grasp. A lot of the research done in this area has focused mostly on sub-Saharan Africa and have thus had a region perspective rather than a country perspective which we have had. To focus on more than one country, for example comparing two, we believe would have been unnecessary. The purpose of this thesis is to determine which sector that has affected Zambia's economic development the most since

independence and thus provide as a reference for future research in the area. If we had compared two countries, the purpose would have had to be altered and would have become vaguer. The purpose is not to compare two countries, or to provide a guideline for the whole sub-Saharan Africa, but rather to be more country specific and thus being able to dig deeper in one specific case.

2.5 Developing the theoretical framework

2.5.1 Literary sources

We have mainly used literature sources in our thesis. There are three types of literature sources, primary, secondary and tertiary (Saunders et al., 2009). Primary sources include reports, some central and local government publications, letters and memos and are the firsts, original publication of new data. Secondary literature sources include books and journals and aims to be more accessible and graspable for a wider audience (ibid). Tertiary literature sources include abstract and encyclopaedias and are used to introduce a topic or to guide towards primary and secondary literature (ibid).

We have mainly used secondary sources to develop our theoretical framework. To be clear about what we mean when discussing economic development, the theoretical framework provides the reader with a definition of the broad term economic development. When we presented the theories we mainly consulted books from respected scholars in the different fields as sources. We tried to use the original sources as much as we could in the different theories. For example, we used Hirschman's book "The strategy of economic development" as source when we presented his famous theory of unbalanced growth. We also used an article written by Nurkse, one of the founding fathers of the theory of balanced growth, to secure a high quality of our sources. Young and Ghosh who are the main sources concerning postcolonial theory and dependency theory are both two highly regarded scholars in their respective field who both have written prominent books concerning the theories.

2.5.2 Choice of theories

In order to examine which sector that has affected Zambia's economic development the most since independence, we need a set of conceptual tools. We will also include an elaboration regarding the phenomenon called economic development. Economic development is a pillar stone of our thesis and since it is such a broad term, we chose to define it early in the

theoretical framework to avoid confusion. Further, in order to fully understand the current economic situation in Zambia and thereby determine which sector that has affected the country's economic development the most, a historical perspective must be taken into account. Zambia has a colonial background which has affected its economic development throughout the years and to overlook this would be a mistake. Postcolonial theory provides a critical perspective upon the colonisation and its aftermath, which we believe is useful for our thesis. We have also chosen to incorporate the dependency theory, since this theory provides a model that aims to explain the world's current imbalance and the inequality which prevails between the Western world and the non-Western world. We can in our thesis use this theory to investigate how the individual sectors have been affected by this dependency relationship towards the Western world, and how this in the extent has affected the economic development of Zambia. Lastly, we will present two theories that specifically pinpoints the theme of our research question, the different sectors in a country's economy. We have chosen two mirrored theories, the balanced growth and the unbalanced growth theory. They are both theories designed for developing countries and the both deals with the issue regarding how a country's different sectors should be stimulated in order to grow.

2.6 Method for empirical material collection

2.6.1 Empirical sources

Empirical material can be collected through primary or secondary sources. One easy way to distinguish between primary and secondary sources is to think that primary sources are raw material, while secondary sources interpret the raw material (Rienecker & Jørgensen, 2014). It is common to use a combination between primary and secondary sources when conducting a case study (Saunders et al., 2009). Therefore, we have in our study used both primary and secondary sources. The primary sources we have used is mainly statistics regarding Gross Domestic Product (GDP) growth, poverty ratios and other measures of development. We have also used statistics concerning for example Zambia's export, agriculture and manufacturing to access an impartial overview of Zambia's economy. The secondary sources we have used mainly consist of articles and books.

2.6.2 Justification of literary sources

The base of the empirical studies has been literature sources. We have also used primary sources, mainly statistics from the World Bank and other statistical databases. In order to use

relevant literature, we have used a so called “chain research” (Reinecker & Jørgensen, 2014), which means that you start from a relevant article and then use their references, thus creating a chain of references. This is a powerful tool, since it means that the sources used are often used by other respected scholars, indicating that the used sources are valid. However, one negative aspect of this method is the risk of missing out on different perspectives. Therefore, have different search engines been used as well, such as Google Scholar and Supersök (the database provided by The University of Gothenburg), in order to find relevant literature from many different perspectives. Supersök has been our primary search engine since we have full accessibility to the articles and literatures found there. Supersök also provides books from the University Library of Gothenburg, which have been very helpful to our thesis. Google Scholar provides academic literature from all over the world and functions as a good complement to Supersök. Searching for articles and books by search engines is called “Systematic research” (Reinecker et al., 2014). Using search engines that we are granted access to by being students at Gothenburg University, is a way of ensuring the quality of the articles and books found there, since the references found in restricted library databases usually have gone through a peer review (ibid). Our main source of literature has been academic articles and books. Generally, academic articles are narrower and more up to date than books, allowing more detailed information for a specific subject (Reinecker et al., 2014; Saunders et al., 2009). Therefore, the majority of our references are academic articles, especially in the narrower sections and the parts in the empirical chapter covering Zambia.

2.6.3 Sampling method

Early in our research, we realised that there were an extent number of sources that could be used. The large amount of sources allowed us to start with a wide perspective and then gradually narrowing it down towards being more sector specific. This allowed us to form our own opinion regarding the colonisation’s impact as well as its effect on the different sectors and the economic development. If we had interviewed a scholar with a specific opinion about the colonisation and the effects following it, our objectivity could have been harmed. If we had conducted interviews with multiple scholars with different opinions about the colonisation, we believe it would had taken up too much space and focus in the thesis, thus removing the focus from the main purpose. Furthermore, if we were to interview for example a scholar that have written an article or book that we found helpful, there are probably just a few useful facts that would emerge from such interview since the most important parts most likely already are incorporated in said articles or books.

2.6.4 The choice of Zambia

We have chosen to conduct a case study of Zambia. We believe that it would be too broad to research a whole continent and the thesis would probably have become unfocused and hard to grasp. The previous research conducted focusing on the link between economic development and colonisation have had a sub-Saharan perspective, but we have chosen to analyse only one country to make this thesis more focused. One reason behind the choice of Zambia was that its GDP/capita growth since independence is very close to the average of sub-Saharan Africa (World Bank, 2017a). The high correlation between Zambia's and sub-Saharan Africa's GDP/capita growth could be used as an argument that some of the conclusions drawn on sub-Saharan Africa's development since colonisation can be applied to Zambia as well. We also found it interesting that Zambia is one of the world's biggest copper exporters (Kragelund, 2017) and at the same time such a poor country, indicating that the reliance on just one resource can be harmful in a longer perspective. Zambia is a former British colony, which we preferred since it would be easier to find research in English rather than in French or Portuguese which could have been the case if we had chosen a former French or Portuguese colony. According to Young (2001), postcolonial theory focuses for the most part on the British Empire, which is also beneficial for our thesis since we use postcolonial theory to explain Zambia's economic development.

2.6.5 The choice of sectors

In our research question, we asked which sector that has affected Zambia's economic development the most since independence. In order to answer this, we must narrow down the number of sectors. We did not choose the sectors when we started our thesis, instead did we let them develop during the process. The flexibility a template analysis approach (more developed further down) offers was important in this process. After the initial subsections in chapter four, Empirical studies, we sat down and aimed to establish which sectors that have affected Zambia's economic development the most since independence. Our first decision was to choose quite few sectors and thus be able to analyse them properly rather than to choose too many and thereby risk reducing the quality of the analysis. In the historical subsections covering Zambia, it became obvious that mining, agriculture and manufacturing are all sectors that have highly affected Zambia's economy. We also chose to include education since it is important in developing countries, especially for long-term economic development.

The four chosen sectors were then given an own subsection within the empirical chapter as well as in the analysis.

2.7 Method for empirical material analysis

2.7.1 Template analysis

There are numerous different methods that can be used when executing an analysis. One method that is useful when analysing qualitative data is to use a template analysis, which we have chosen to do (Saunders et al., 2009). Template analysis combines the inductive and deductive approach which is suitable for our thesis since we have an abductive approach. When using a template analysis, the collected material is made into an analytical framework which helps to structure the analysis. The analysis can then be divided into certain categories and thus becomes more structured (ibid). Template analysis can be used when there is a so called contextual constructivist position (Cassel & Symon, 2004). This is defined as when the researchers assume that the phenomenon can be interpreted in multiple ways depending on the researcher's position and context. Postcolonial theory as well as dependency theory, which will be introduced and explained in the theoretical framework, are both theories that acknowledge the fact that a person's context affects his or her interpretation of a certain situation. Postcolonial theory and dependency theory are both more like a lens or perspective, than a theory in a strict sense, which we highlight in the theoretical framework.

One of the most prominent strengths with a template analysis is that it is highly flexible (Cassel et al., 2004). The template does not have to be static throughout the thesis but can be changed during the process. The process involves the developing of different categories, which can be altered throughout the thesis (Saunders et al., 2009). Our thesis can be said to have the structure of a funnel, starting wide and then steadily narrowing down as the thesis continues. We chose to start with a broad perspective in the empirical section, covering the colonisations effect on sub-Saharan Africa from different perspectives and then narrow it down, focusing solely on Zambia. We chose to do this to gain a broader understanding of the subject and thus provide the reader with a better background. In the analysis we constructed a table consisting of the four sectors and how they have affected the economic development in Zambia since independence. The opportunity to develop this table throughout the thesis rather than to settle on a model early on has been a great advantage and this flexibility is one of the main reasons behind why we have chosen to execute a template analysis.

2.7.2 Reliability and validity of empirical material

One of the sources we have used is “Burden of Empire”, written by Gann and Duignan in 1967. This book is useful since it provides a different, more positive perspective, on the colonisation than many other sources in this genre. However, it does have its flaws. One of them is its age, it is today 50 years old and was written shortly after Zambia’s independence. This means that it lacked empirical evidence of the aftermath of the colonisation. Therefore, the focus of this book is the colonisation itself, rather than the effects following the colonisation. Although, it could also be seen as a strength that it was written during the time when the colonisation was still present since the majority of the colonies in Africa became independent between 1956 and 1976 (Bertocchi et al., 2002). This means that the opinions and facts presented in the book were written during the colonisation rather than after, providing a different perspective than the majority of our other sources. Boahen (1987) and Andersson et al. (1989, 1991) are other examples of quite old sources that are frequently used. However, we believe they are relevant for us, since a large part of our thesis aims to describe the past. In the parts of the thesis that involves the present, we have used more up to date sources such as Bulfin (2012), Sikamo, Mwanza, & Mweemba (2016) and Kragelund (2017).

As earlier described, our aim was to start with a wide perspective early in the thesis and then gradually narrow it down. We did so by using multiple sources that had different perspectives on the colonisation early in the thesis. The colonisation is a sensitive subject and the risk for bias, especially in qualitative reports, is too high to ignore. We have tried to minimize the risk for bias in multiple ways, such as the use of a large amount of sources from different perspectives. We have also used primary, quantitative sources such as statistics from the World bank. Finally, we consciously referred to the scholars whose opinions we presented to make it clear to the reader when it was our own opinions and when it was someone else’s opinion.

In this thesis, GDP will be continuously used as a tool to explain Zambia’s economic growth. Although, one inescapable problem for this thesis will be the exactness concerning the GDP estimates. Precise changes in GDP are always difficult to calculate and even more so in Africa, this due to the lack of sufficient censuses and adequate statistical data (Zamfir, 2016). Therefore must the GDP estimates be read with some awareness. However, even if the GDP

estimations are not as exact as preferable, they are still considered accurate enough to give a indication of the economic trend within a country or a region (ibid).

2.7.3 Execution of analysis

We chose to use a template analysis method in order to analyse the empirical data. With support of what we have learned in the first part of the empirical section covering Zambia, we then chose which four sectors to examine further. Those were then given a specific subsection in the empirical chapter. In the analysis, we constructed a table covering the sectors where the past, the present and the future were represented. This table then functioned as a guideline in the analysis. The different sectors were thereafter analysed individually using the theories we presented in our theoretical framework. Finally, we compared the different sectors to each other in order to find which sector that has affected Zambia's economic development the most. The template analysis method was thus used to answer our research question and thus achieve the purpose of the study.

It is important to acknowledge that it for a numerous reason is hard to answer which sector that has affected Zambia's economic development the most. It can be hard to compare different sectors to each other since some of them might overlap and they hold different qualities. For example, the effect of the educational sector is hard to measure in numbers such as contribution to GDP which is available in the other sectors. The educational sector rather provides with improvement of human capital which is highly important but hard to measure. These facts are hard to entirely overcome and thereby important to acknowledge and we believe that using a template analysis is the best way to minimize these problems since it provides the opportunity to analyse each sector separately.

3. Theoretical framework

3.1 Economic development

The idea of economic development might sound easy in theory, but in reality it is not easy to define. Staudt (1991) tries in her book “Managing Development” to define economic development and ends up describing “*seven of the hundreds of definitions of development*” (Staudt, 1991: 28), indicating that there are numerous ways to define economic development. Staudt mentions in her book that the goal of development is to enlarge choice. In order to fully understand the definition, we will present a brief historical background to the history of the definition of economic development.

After the French as well as the Industrial revolution in the late 18th and 19th century, Europe proceeded into a new era of the modern world (Sayed, 2016). The development of what would be known as the Western world exploded in a time where the rest of the world’s development stood still, or at least moved far slower than the one in the West. Even though the pace of development remained different for a long time, it was not brought up to the wide mass until 1949 when the American President Truman presented a new economic program, where he said:

“We must embark [President Truman said] on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas” (Sachs, 1992: 1)

Truman described the southern hemisphere as underdeveloped, and this was the first use of the word in such a big context, even if the term underdeveloped probably had been used for the first time years earlier in 1942 by the American economist Wilfred Benson (Cowen & Shenton, 1996). Since Truman’s words divided the world into two parts, the developed and the underdeveloped, the underdeveloped part has tried to escape its status as underdeveloped through development (Sachs, 1992). The world is not static and some of the countries have ceased to be underdeveloped and have instead become developed. Although, the majority of the countries that Truman described as underdeveloped are today still seen as developing countries (Economic development, 2017).

How economic development should be achieved is disputed to this day and an answer is not in sight, but as always when you strive for something it is important to know the goal. As Staudt (1991) writes, there are hundreds of ways to define economic development, and it is sometimes mixed up with the term economic growth. Economic development is a much broader term than economic growth. Economic growth tends to focus more on hard facts such as GDP or real national income, usually monetary measurements. Economic development on the other hand focus not only on monetary measurements, but also on the wellbeing of the people and measure factors such as literacy rates, poverty rates and life expectancy (Salmon Valley Business & Innovation Center, 2011)

We choose to use a quite wide definition of economic development since the subjects is so broad and hard to narrow down. We will use the definition presented by Carley, Lawrence, Brown, Nourafshan, & Benami (2011) who writes:

“Economic development is a process of creating wealth for regions—nations or subnational regions such as states and counties—and improving the economic opportunities for the people that live and work within them. Desired results from this process include improved standards of living and reduced levels of poverty” (Carley, Lawrence, Brown, Nourafshan, & Benami, 2011: 283)

Carley et al. (2011) define economic development as a process, which indicates that there is no beginning nor an end, a nation or region will never cease the strive for development. The process of economic development aims to improve the opportunities for the people who lives in a region.

3.2 Postcolonialism

There is an ongoing discussion regarding the term postcolonial (Loomba, 1998; Young, 2001). A discussion that would cease if postcolonial was to be defined as just the period following colonisation (Young, 2001). This is however not the case, instead is the term postcolonial a far broader concept that not only consists of decolonisation and the achievement of sovereignty, but also the transformation into a new imperialistic order of economic and political domination. After independence, a postcolonial culture emerged which largely opposed the conditions of national autonomy and thus were the thoughts and ideologies of the former colonial state reinstated. Throughout this phenomenon a theoretical

and political position called postcolonialism, or postcolonial theory, emerged where the current world order was criticised. Postcolonialism argues that autonomy, real independence and self-determination are important matters that still remains to be achieved. Postcolonialism as a political discipline strives towards transnational social justice and is thereby critical towards hegemonic (indirect domination) economic imperialism. The current global situation needs to be seen from the perspective of its victim, and that is what postcolonialism does (Young, 2001).

Western capitalism, which is considered to have its roots in European colonialism, has created a global economic imbalance where the West has benefited at the expense of the third world. Even when political independence was achieved, the colonised countries were still dependent on their former colonial masters and had thus little power in world economics and politics (Loomba, 1998). In present time, colonialism is no longer about the takeover of territories. Rather it is expressed through an hegemonic interference with political, cultural and economic structures from another nation (Loomba, 1998; Young, 2001). Many of the thoughts within postcolonialism are hidden. This refers to that the West believes themselves to possess a psychologically superior and universal prevailing norm. However, this way of thinking does not need to be conscious, it is rather a structural condition and thoughts from people of the third world are thereby often rejected in advance (Teo, 2005). Postcolonialism strives to counteract this structural injustice.

3.2.1 The origin of postcolonialism

The history of colonisation is old and began over 500 years ago when Christopher Columbus discovered America in 1492 (Young, 2001). As in most cases when there is a movement for something, there is movement against the very same thing. Therefore, Young (2001) argues that anti-colonialism is as old as colonialism itself. Postcolonialism is however not quite that old. Postcolonialism has its origins from Marxism and was mainly developed during the 20th century. Its origins predominantly from North America and Europe, the two former colonial powers. This may be perceived as ironically, but the majority of the scholars behind postcolonialism are minorities, particularly coloured people and they often have a background from the colonised continents (Africa, Latin-America and Asia) rather than from the West. Postcolonialism can therefore neither be seen as a Western phenomenon nor as a third world phenomenon but rather as a hybrid between the two, a product of the interactions between the two parts in the recent centuries. Postcolonialism opposes itself from the notion that it is

merely a Western invention and therefore less legit. It is argued that it does not matter where one author or scholar is geographically located but rather from where they locate themselves speaking from, emphasising that postcolonialism is a matter of perspective rather than geography (Young, 2001).

According to Marxism, many of the crimes committed against humanity is a result of the West's economic dominance over the third world (Young, 2001). This assumption is shared with postcolonialism and in that sense the two resemble each other. Marxism has throughout the history played an important role of anti-colonial resistance and constitutes thereby the framework of postcolonial theory. The anti-colonial writing that was conducted in the 20th century often had a Marxist perspective, but it was a type of Marxism that was slightly modified to suit non-Western conditions better, and does thereby not resemble the more mainstream type of Marxism. Throughout this modification, postcolonialism does not necessary come in a recognisable form seen from a Western perspective. Postcolonialism contains a feature that distinguish it from Marxism, namely its ability to criticise objective material conditions with an analyse of their subjective effects. Thereby, postcolonialism provides a critical perspective on the underlying dynamics of the capitalist world and can by doing so describe the social and economic conditions of today (Young, 2001).

3.2.2 Not an ordinary theory

The “ism” in postcolonialism can be slightly problematic, since it implies a homogenous ideology with a set of shared ideas. This is somewhat misleading, due to the wideness and heterogeneity of postcolonialism. The assumption that postcolonialism is a unified theory with a single perspective is incorrect. Postcolonialism incorporates several different activities and positions and the idea of a homogenous framework would be a bit ironic, since postcolonialism basically stands for a distanciation towards generalisation and totalising forms (Young, 2001).

Postcolonialism becomes even more complex and hard to grasp when trying to define it as a theory (Young, 2001). Foucault defined the concept theory as “*the deduction, on the basis of a number of axioms, of an abstract model applicable to an indefinite number of empirical descriptions*” (Foucault, 1972:114). Through this definition can postcolonialism not in a strict sense be seen as a theory. It is rather a set of conceptual tools that can be used to analyse the contemporary world. Postcolonialism is more like a lens in which the world can be

perceived through, something that gives the opportunity to understand contemporary times from a historical perspective (Young, 2001). To easier explain postcolonialism, Young (2001) compares it with feminism. This since feminism also can be seen as a lens rather than a theory with a single methodology. These two instead consist of partial psychological and political perceptions that together with distinguished social and cultural objectives constitutes a set of theoretical insights. The similarities between postcolonialism and feminism exceeds although methodology, since the two practices are alike in their relation to contemporary writing and history as well as their engagement concerning the dynamics of political practice. The two functions the same way, since they both use a wide range of theories from different disciplines in order to create an own insight. This means that proponents of these theories are able to hold a wide range of different positions, which in a way is anti-theoretical. Postcolonialism is, like feminism, specified through personal and subjective attention (Young, 2001).

3.2.3 The link between past and present

Postcolonialism is a set of theoretical and political tools that stretch back into the history of a colonial past, but also incorporates the everyday realities of a postcolonial present. These practices strive to challenge the remnants of the past and intends by doing so to contest its inherited culture and politics. Postcolonialism operates thereby through a historical perspective. This historical perspective is transformed into both theoretical and political tools designed to understand the conditions of present time from a long-term perspective. Its main issues incorporate the colonial, imperial and anti-colonial past as well as the postcolonial present. Past and present liberation struggles, the contemporary politics of identity and the economics of neo-colonialism are further examples of matters that concerns postcolonialism. Common experiences of injustices that extends far back in time is the root of the strive towards radical social change at a global level. Therefore, postcolonialism performs an analysis concerning the history of colonialism in order to examine its present effects in the Western world as well as the non-Western world, making connections between the two and their history as well as contemporary times.

3.2.4 Critique of postcolonial theory

To give the reader a more nuanced image of postcolonial theory follows here some critique upon it. Vivek Chibber conveys in his book “Postcolonial theory and the specter of capital”

some critical thoughts concerning postcolonial theory. Chibber (2013) argues that proponents of postcolonial theory have misunderstood human psychology as well as capitalism and have by doing so created a false picture of European history. According to Chibber (2013) have European workers and peasants historically often suffered from limited rights and from this struggle comes political progress. This fragmentation made Europe shattered which according to Chibber (2013) is an argument of the Western world being alike the non-Western world rather than divergent. Chibber (2013) opposes the idea of insuperable differences between the West and non-West. Creating a distance between the two regions is something that endorses colonialism rather than preventing it. One of the main ideas of postcolonial theory is to remove the Eurocentric focus, but Chipper (2013) argues that doing this through the highlighting of differences in fact are counterproductive. Chipper (2013) claims that a fully functional framework explaining the economic situation in developing countries still does not exist and therefore is Chipper (2013) of the understanding that models conducted in the West are applicable in the non-West as well.

3.3 Dependency theory

Dependence theory is like postcolonialism based on Marxism. It is similar to postcolonialism since it in a strict sense is not a theory. Dependency theory is more like a model or paradigm which can be used as guidance in the explanation of underdevelopment (Ghosh, 2001). An important matter regarding dependency theory is that it, unlike many other theories, to a large extent have been founded by non-western scholars. Dependency theorists argues that the underdevelopment of the third world has been created through the interaction with rich capitalist countries (Isbister, 1991). Thereby, the development of the Western world has been based on external extraction instead of internal innovation (Peet & Hartwick, 2009).

Proponents of this theory sees underdevelopment as a process. This meaning underdevelopment is not just the inability to develop, it is an ongoing process of pauperization (Isbister, 1991).

3.3.1 Centre and peripheries

Proponents of the dependency theory divides the world in two parts, a first world and a third World. The first world is the “centre” and the third world is the “periphery” (Peet et al., 2009). The centre has the ability to achieve self-sustaining economic growth, while the periphery only can grow as a mirror of the centre. Furthermore, there is a polarisation within

the peripheries regions, the regional power is often held by a rich elite who enjoys great benefits from the cooperation with Europe, benefits to which the mass of poor peasants are excluded from. This is problematic in terms of development since the gains of goods exported only reaches a small elite, which uses the surplus for luxurious consumption instead of domestic investment. However, dependency theorists argue that the core of the problematic inside the peripheries is due to that the real power over the peripheries are exercised by the countries in the centre. The dependency in present time can be seen through international ownership over the region's most dynamic sectors, the control that multinational companies have over technology and the royalties as well as interest that is payed to Western corporations. Demands of the centre where many times meet before the needs of the people living in the peripheries regions. The proponents of the dependency theory argue that the stagnated economic development in the third world only can end through a decampment with capitalist imperialism. Sustainable economic development is claimed to be achieved through a withdrawal from the capitalistic system and by doing so reconstruct the economy as well as the society on a socialist ground (Peet et al., 2009).

There is within the dependency theory criticism against social dualism, which stated that underdeveloped regions consist of a dual structure (Peet et al., 2009). According to these critics, underdevelopment does not originate from antiquated institutions and the absence of capital due to their isolation from the world history, rather it is the opposite.

Underdevelopment was created through the same historical process as development was generated from and through this point of view it is the development of the centre that has created the underdevelopment of the peripheries. Dependency theorists argue that capitalism converted socialist systems into sources of their own development. Dependency theorists argue that the economic, political, social and cultural institutions of developing countries are a result from the penetration of capitalism rather than being original or traditional. Thereby, the centre and the periphery became due to capitalism more polarised, the development of the centre went on while the one of the periphery was stagnating (Peet et al., 2009).

3.3.2 The nature of dependency

The periphery is according to dependency theory dependent on the centre and this is shown in several ways (Ghosh, 2001). It is for example manifested through technology, where less developed countries (LDCs) are dependent on the technology created by developed capitalist countries (DCs). Another real part of the dependency relationship between the two are the

LDCs need of economic and financial aid from the DCs. The balance of payments is further problematic in where the help of the DCs are needed. Another issue is the LDCs inability of following an independent policy regarding capital accumulation. Dependency theorists also argues that the export of raw material towards the DCs makes LDCs dependent. Summing up these thoughts may possibly provide us the essence of dependency theory, namely the impossibility of LDCs to gain economic development without the help of the DCs (ibid).

Apart from this Ghosh provides us with a somewhat conservative list of some less known areas, which has been affected by the dependency relation. Below follow the two areas that are the most relevant to our thesis.

Academic Dependency: Western education systems are what laid the foundation of the education system in the LDCs. Western thinking and knowledge permeates thereby the education systems of the LDCs, something that not necessary benefits the people living in LDCs (Ghosh, 2001).

Policy Dependency: DCs interferes with domestic policies in LDCs. For example, to be eligible for a loan from international institutions must LDCs to a certain extent adjust their internal policies. DCs works also as an influencer of the internal economic, social and political policies conducted within the LDCs (Ghosh, 2001).

DCs to some extent provide essential help for LDCs. However, this help does not come without a cost (Ghosh, 2001). Dependency theorists argues that DCs over the years have been exploiting LDCs in various ways. The DCs carries out capital investments in regions where the marginal productivity of capital is high which result in the extraction of large amount of surplus. Furthermore, the low wage level in LDCs enables for DCs to purchase raw material to a low cost. The DCs are then selling their own products at a high price in the LDCs. Technology transferred from the DCs to the LDCs are often old and costly. Aid and other means are according to dependency theory just a way for DCs to control the domestic economies of LDCs (Ghosh, 2001).

3.3.3 Critique on dependency theory

Dependency theory is, just like other theories, not fully complete. Criticism has been directed against it due to its inability to specify thoroughly how wealth and poverty both can originate

from the same source, namely capitalism (Ghosh, 2001). Another objection is the, due to surplus extraction, generation of development and underdevelopment at the same time. This is according to opponents an assumed pre-condition. The theory focus on how the surplus is exchanged and does thus not explain how it is produced and appropriated. Opponents of the dependency theory argues that dependency theorists concentrate too much on the problem of exchange and forgets thereby the problem of production. This is problematic since underdevelopment can not be fully explained through exchange interactions. Instead is underdevelopment a problematic that largely has to do with production. Further criticism is directed against the fact that the conflict between the centre and periphery has a geographical focus and does thereby not incorporate the problematic of social classes within a country (ibid).

3.4 Balanced growth

The theory of balanced growth is an economic theory suited for developing countries in their pursuit to achieve economic growth and development. Richard Nurkse, one of the founders of the theory, means that this theory is a path for developing countries to escape their current unsatisfying economic situation (Nurkse, 1956; Drechsler, 2009). The general idea concerning balanced growth is that multiple sectors should develop simultaneously and thus help each other to achieve growth. A common problem in developing countries is the small domestic market. Due to the small domestic demand, an expansion in a sector may be unprofitable since the investment necessary for the expansion will not be covered by the increasing revenues, since the increase in revenue likely will be too small due to the limited demand. However, if multiple sectors expand simultaneously, the whole market will expand, since the demand then will increase within the different sectors and they will thereby become each other's customers. The expansion in the individual sectors will thus lead to a bigger domestic market which in turns will lead to economic growth (Drechsler, 2009). The building of demand is thus one of the pillar stones in the balanced growth theory, since the low demand is seen as one of the initial main problems (Sutcliffe, 1964). Nurkse (1956) means that if all capital should be applied to a specific sector, the low demand would turn that sector unprofitable and the returns would diminish. To stimulate growth in multiple sectors simultaneously is therefore seen as the best way to increase demand and thus avoid the threat of diminished returns (ibid).

It should be pointed out that there is a difference between investing in all sectors, and investing in multiple sectors. Since the resources in a developing country are limited, it is impossible to stimulate and develop every sector simultaneously. The hope is rather to create an environment that stimulates investment in multiple sectors and thus increase the demand, market and growth (Drechsler, 2009). The term “balance” is thus a bit problematic, since it may be unclear exactly how balanced the growth should be (Sutcliffe, 1964). Lipton (1962) divides balanced growth into three sections, extreme, moderate and sophisticated. Extreme balance is when all sectors should develop simultaneously at equal rate which would be problematic, due to many reasons. For example, if the limited resources were to be spread across all sectors, the effect in each individual sector would most likely be minor. Moderate balance refers to the development of all sectors but not at an equal rate. However, the most common approach is the sophisticated approach. The sophisticated approach is the stimulation of well chosen lines of production rather than all sectors which the two previous alternatives discuss (ibid).

The use of external resources is seen as undesirable within the balanced growth theory. The belief is that foreign direct investments (FDI) may cause a dual economy, which is not desirable. Instead, it is argued that FDI may stop the development in the receiving countries. Especially in cases where the receiving, developing country is exporting raw material at a low cost to the giving, developed country. The emphasis of the theory is instead put on hard work in the domestic sector and that growth should come from within (Drechsler, 2009).

3.5 Unbalanced growth theory

Unbalanced growth theory is a strategy of development, developed especially for developing countries (Hirschman, 1958). Instead of investing in multiple sectors at once, which is the case of the balanced growth theory, the unbalanced growth theory promotes investment in just one strategically chosen sector, which will be the key sector of the economy. A predefined strategy with big investments in the chosen sector is according to this theory the best way to achieve sustainable economic development. The idea is then that the development of the chosen prominent sector will lead to further development of other sectors, through a phenomenon called the linkage effects, which will be more elaborated later in this section (ibid).

The theory suggests that unbalance creates development, which means that underdeveloped countries must prioritise a key sector (Hirschman, 1958). An intentional creation of unbalance is encouraged, this due to the fact that their resources are limited and must therefore be used efficiently. A too broad focus would not be appropriate according to this theory. It is difficult for a developing country to escape its poverty since a low level of income leads to low consumption. The idea of unbalanced growth is to help countries that have been stuck in the loop of poverty to achieve economic development (ibid).

The idea of the unbalanced growth theory is to create ripples on the water (Hirschman, 1958). This meaning, increased growth in sector A generates growth in sector B and C. In turn, sector B and C stimulates growth in sector D and E. The reasoning is that one thing leads to another. Sector A does not only feed itself but also the other sectors. Further, within the unbalanced growth theory the development of a sector A leads to an increased demand of products originating from sector B and C (ibid).

The sectors in an economy are connected to each other through backwards linkages and forward linkages (Hirschman, 1958). The output of one sector is the input of another and vice versa. It is the demand that stipulate the terms. If the leading sector of the economy requires a certain input will this be the output of another sector, this is called backward linkages. For example is the manufacturing sector in need of raw material, in order to be able to manufacture their goods. Further, the produced output from the leading sector can be used as input in a third sector, this is then called forward linkages. The sectors within an economy breed each other and through this can economic development occur (ibid).

4. Empirical studies

4.1 Introduction

This chapter starts with two broad subsections to provide the reader with important facts regarding the colonisation, facts that are important to know in order to fully grasp Zambia's colonial heritage. The first subsection will focus on Great Britain's ruling in their colonies and the second subsection will present a broader perspective of the colonisation and its link to present economic development. In order to give a more nuanced image of the colonisation and have a wide perspective, we have chosen to include scholars who are negative as well as positive to the colonisation. After the two initial subsections, the focus will shift over to Zambia, with purpose to give the reader a more detailed insight in Zambia. We have constructed a table that provides some basic Zambian facts, the numbers within parenthesis represent Zambia's world ranking in that category. After the table follows a presentation of Zambia's history. We will then narrow it down and focus specifically on the four sectors we have chosen to compare in our thesis.

4.2 High and low level of liberal colonialism

According to Lange et al. (2006) there are two different types of economic models describing colonisation. A mercantilist model with trade restrictions which according to Lange et al. (2006) mostly benefitted a privileged group, and a liberal model where a free market was used in order to maximize profit. Lange et al. (2006) claim that Great Britain used the liberal model when colonising and since Zambia was a British colony, the focus will be put there. Great Britain's liberal colonisation encouraged its colonies to open up its border for free international trade which, Great Britain argued, would increase the colonies international competitiveness (Lange et al., 2006). An open market could also lead to the creation of basic infrastructure and institutions. In a liberal market, the state's role is less prominent than in a merchandising system and is rather a guardian for the free market than a vital part of the market.

The level of precolonial development plays an important role regarding how the colonisation process went down. The liberal models imply that a low level of colonialism often was conducted in complex precolonial regions, this due to the fact that complex regions already had some kind of functional institutions. Therefore were only a limited

range of institutions implemented within these regions. Less complex regions were on the other hand often exposed to a higher level of colonialism. Lange et al. (2006) argues that a high level of liberal colonialism can be beneficial because of its providence of institutions as well as infrastructure. Overall, a high level of colonialism is positively related to socioeconomic development. However, a low level of liberal colonialism is often correlated to poor economic development (ibid). Zambia was considered a “*marginal colony*” (Andersson et al., 2000, page 10) and thus had low level of colonialism. In the countries where a low level of colonialism was adapted by Great Britain, the local authorities were allowed to rule. This created powerful elites within the colonies whose main goal was to improve their own position in the societies rather than to strive for developing the country itself. The powerful elite were allowed to control villages and lands which led to lessen investment, worse agricultural production and also exploitation of goods, some of the effects are even clear long after liberalisation. The low level of institutional transfer, also known as knowledge spillover, from Great Britain is by Lange et al. (2006) considered as one of the main reasons for the poor development in the concerning countries.

4.3 Different perspectives

The list of scholars who throughout the years have accused the colonisation for Africa’s poor economic performance is long (Bertocchi et al., 2002; Sachs & Warner, 1997). Understanding the past when explaining the present is therefore essential when discussing Africa’s economic development. Several different phenomena seem to be leftovers from a colonial past, such as weak institutions and poor choices of economic policies (Plessis & Plessis 2006; Sachs et al., 1997). Acemoglu et al. (2001) argues that Africa's weak institution is one of the reasons behind sub-Saharan Africa’s poor economic performance and according to Sach’s et al. (1997) is there a shortfall in growth which can be explained by poor choices of economic policies. The whole colonial system was, according to Boahen (1987), built upon European principles with a main objective of benefitting Europe and the Western world, which led to the exploration of Africa’s natural resources. Rodney (1972) described the colonisation as a one-armed bandit, meaning that Europe robbed Africa of its natural resources and heavily delayed the economic development over the whole continent. Boahen (1987) does not fully agree with Rodney (1972) that colonisation was all bad, but he does indeed sum up the situation quite good when he writes “*Africans were encouraged to produce what they did not consume and to consume what they did not produce*” (92).

Emizet (1998) argues that Africa inherited an export-based economy after its liberation. Africa was very dependent on exporting raw-materials in order to break even. Apart from the previously mentioned minerals, coffee and oil were two of the largest export products. The food production in Africa shrunk between 1970 and 1990 while the amount of export increased with over 150% in the same time (Emizet, 1998). This, Emizet (1998) argues, is evidence that Africa became heavily dependent on export, mainly due to its colonial heritage. The colonial masters' interest in Africa's raw-material gave Africa a lessened chance to improve its agriculture, and at independence some of the countries (including Zambia) had a hard time developing their agriculture sector since it already was so dependent on raw material. That a large part of Africa became dependent on export meant that even if they did become integrated in the world market, they did not enter the market as an equal partner to the West, but rather as a poor and inferior player (Emizet, 1998).

Although the majority of scholars agree that the colonisation had an overall bad impact upon Africa's economic development, every coin has two sides and there are some positive effects as well. Boahen (1987) agrees with Lange et al. (2006) that institutions were a colonial legacy that benefitted Africa and especially points out two new types of institutions that were provided by the Europeans, the new bureaucracy of civil servant and a new judicial system. Boahen (1987) remarks, also in line with Lange et al. (2006) that the former British colonies experienced better institutions after its independence, while former colonies of Portugal and Belgium showed the worst results. Gann et al. (1967) mean that there were many different types of colonisations. There were those who saw colonisation as merely an investment opportunity, as a speculation in real estates, others saw colonialism as "*conspicuous consumption*" (Gann et al., 1967: 362) and lastly some countries saw colonies as a strategic advantage as well as a way of bringing pride to their countries. Gann et al. (1967) argue that the European countries got caught in a catch 22 and received criticism regardless of how they approached Africa. If they invested, they received criticism for trying to gain profits with illegitimate means but if they chose not to invest, they were accused for boycotting the African development. Since Gann et al. (1967) mean that the colonisation had a positive impact on Africa, they believe that the colonial powers did excessively little in many areas and that there were too few, rather than too many, capitalists in Africa. This led, according to Gann et al. (1967) to that too few investments were made and therefore could only some parts of Africa benefit from the colonisation.

Cash crop is an example of a positive effect from the colonisation. Cash crop is an agricultural product that is grown to be sold in order to make profit, in contrary to a crop that is grown to be used by the farmer. Boahen (1987) argue that cash crop was one way for people living in rural areas to increase their standard of living, and the social ladder became easier to climb after the colonisation had occurred. Before the colonisation, the social mobility was slow and the possibility to climb just a few social steps was limited. According to Boahen (1987), social mobility became accessible for a larger group after the colonisation. Lessened focus on birth and instead an increased focus on the individual's efforts and achievement were all changes that made social climbing easier (Boahen, 1987).

Table 1, Zambia. Author's own compilation

Category	Fact	Source
Capital	Lusaka	Encyclopedia. (2017)
Currency	Zambian kwacha (ZMW)	Encyclopedia. (2017)
Population	16,211,767 (2015)	World bank (2017e)
Size	752,614 sq km (39 th)	Encyclopedia. (2017)
Language	English	Encyclopedia. (2017)
President	Edgar Lungu (Patriotic Front)	Mason et al., 2016
Date of Independence	24 th October 1964 (From Great Britain)	Encyclopedia. (2017)
Religion	Christianity	Encyclopedia. (2017)
GDP (current US\$)	21.15 billion (2015)	World Bank(2017f)
GDP/capita (current US\$)	1,304.876 (2015)	World Bank(2017b)
Inflation	10.1 % (2015)	World Bank (2017g)
GINI (1-100)	55,62 (2010)	World Bank (2017c)
HDI (0-1)	0,579 (2015) (139 th)	UNDP. (2017)
Life expectancy by birth	60,8 (2015)	UNDP. (2017)

4.4 The history of Zambia

Northern Rhodesia (former Zambia) was handed over to the British Government in 1924 (Andersson et al., 2000). The country was by the Great Britain's government considered a "*marginal colony*" (Andersson et al., 2000: 10). Therefore were the country's traditional sectors as well as social and economic infrastructure, apart from the copper mining industry, heavily neglected. While mining blossomed, the agricultural sector struggled hard. Laws and policies limited other income-generating possibilities within traditional agriculture, which made the sector struggle even more. Movement from farming towards mining or commercial agriculture was also encouraged (Andersson et al., 2000).

The mining sector played a huge part in the early history of independent Zambia, and had a socio-economic impact when contributing to the evolution of an urban working class (Gertzel & Szeftel, 1984). The economy at large became notably influenced by this working class, clearest seen through their impact on the modern wages sector (Andersson et al., 2000) and according to Andersson et al. (2000) grew through this a type of labour aristocracy out.

At independence in 1964, Zambia was one on of the wealthiest states in sub-Saharan Africa (Barton, 2015). Ten years of economic prosperity followed the decolonisation, but the oil shocks of the 1970s' resulted in a price fall in copper which revealed some of the weaknesses of Zambia's economic structure. The world's recession had a significant impact on Zambia, this due to the country's dependence on copper, its weak manufacturing sector, its neglect of agriculture and the openness of its economy (Andersson et al., 1991). As a result of this, Zambia showed a decline in GDP per capita for ten straight years and the country went from a middle-income country to a low income country. In the late 1970's a second increase of the oil price occurred which led to a decline in trade by 70% for Zambia between 1972 and 1980. Zambia's government treated the crises as temporary and made a short-term solution when borrowing from bilateral and multilateral sources. As a conjunction with the International Monetary Fund (IMF) the Action Programme was established in order to solve the crises. The programme lasted for two years and contained balance-of-payment improvements as well as rate of inflation reduction (ibid).

In Zambia, there were low sustainability regarding economic policies. During the decade, major policy orientation between liberalisation and command economy occurred and as a

result of this was the reliability on Zambia's government very low in the 1980's. The earlier mentioned Action Programme was finished in April 1980 and it was followed by three years of command economy. However, during 1982 and 1983 when mineral revenues proceeded to decline, policy-makers initiated a structural adjustment programme called The Economic Reform Programme (ERP82). ERP82 was supported by the IMF and intended to restructure the economy through for example strengthen incentives of production, correction of price distortion, determination of prices through market forces and an emphasised export diversification. There were for example a rescheduling of debt payments, decontrolling of interest rates, deregulation of prices, reduction of tariffs, reformation of the tax system, liberalisation of trade system, reformation of parastatals and an increase of agricultural producer prices (Andersson et al., 1991).

However, ERP82 was abandoned in May 1987, when an attempt to auction foreign exchange failed due to underfunding and speculation. This resulted in inflation as well as food riots (Andersson et al., 1991). Due to the circumstances, a new set of policies was introduced, which was called the New Economic Recovery Programme (NERP87). The previous idea of liberalisation was left behind when NERP87 suggested governmental control over a fixed exchange rate, fixed interest rates and prices of a set of commodities. This return to a command economy revealed the Zambian government's low confidence in market forces and their preference of direct control. Due to a shortage of foreign exchange in 1989, the orientation once again changed and an abortion of the command economy occurred, this in favour for a harsh Structural Adjustment Programme (SAP) (ibid). The idea of the SAP was to implement economic growth and sustainable balance (IMF, 1987). Another economic recovery program called NERP2 was initiated in 1992 (Chirwa & Odhiambo, 2016) and in September the same year, interest rates became more market-determined. In October occurred an establishment of foreign exchange bureaus and in 1994 was the control of exchange rates of both capital and current accounts removed (Mungule, 2004).

Sub-Saharan Africa (South Africa excluded) experienced a general GDP growth of 2.1% per year during the period 1994 to 2005 and Zambia was no exception from this trend (Bigsten & Tengman, 2009). Bigsten et al. (2009) claim that Zambia had a relatively rapid economic growth from 1998 up to the financial crisis in 2008, its incomes per capita started to increase after many years of mostly declining. Sustaining growth is although problematic

in Zambia and the tendency is that incomes from natural resources often are distributed unequal (Ndulu & O’Connell, 2008). Even if Zambia's GDP grew during this period, the percentage of people living in poverty grew as well. 60% of Zambia’s population lived in poverty in 2013 in comparison to 40% in 1996 (YEZI, 2013; World Bank, 2017d). In order to improve the situation was the Fifth National Development Plan (FNDP) implemented with an idea of broad-based wealth achieved through civic involvement and technological development (Bigsten et al., 2009). Poor implementation had previously been one of the underlying reasons behind the failure of earlier plans. This is stated in Bigsten et al. (2009) *“A major weakness in previous plans has been their poor implementation due to poor resource forecasts, weak institutional arrangements and weak monitoring”* (2). However, according to the FNDP, more successful implementation is planned to be achieved through a new public expenditure management as well as accountability systems. The FNDP promotes sustained economic growth which will strive to reduce poverty. There is neither a contradiction between growth and equality, which is another argument for pursuing a broad-based growth approach (Bigsten et al., 2009).

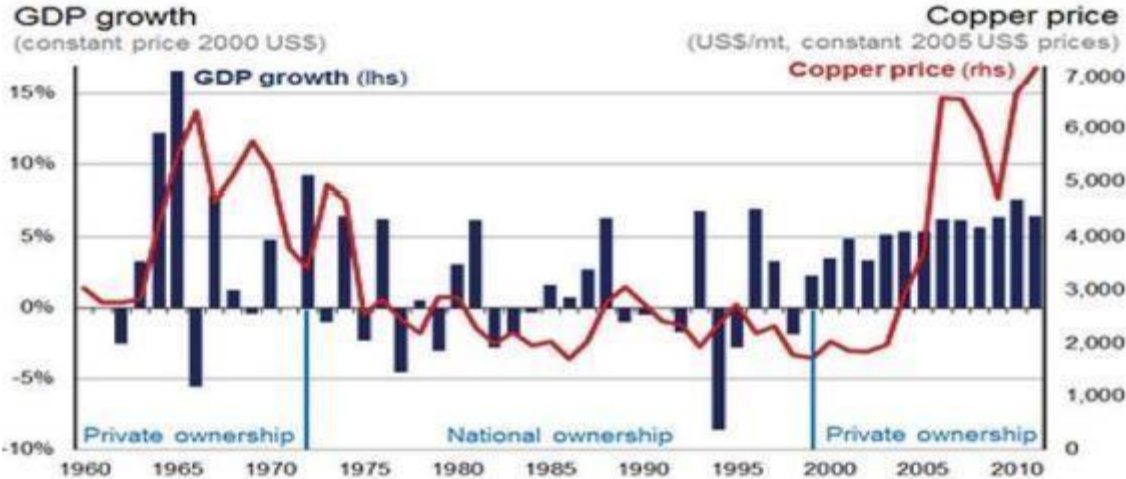
The increased growth during this period was achieved through improvements within several sectors such as mining, manufacturing and construction. The amount of copper exported doubled between 2004 and 2008 and this together with a rising copper price lead to increased revenues. Between 2000 and 2008, Zambia's total export quadrupled and in 2006 had the total export risen to 3.3\$bn. This number means around 250 USD per capita, which is just half of the average during the years between 1960 and 1980. This meaning, there have been some recovery of the Zambian economy, but it has not yet met earlier results. Even if other sectors have expanded as well, this shown growth is correlated to the boom in copper price that occurred in 2004 (Bigsten et al., 2009).

4.5 Mining

Zambia was considered a *“marginal colony”* (Andersson et al., 2000: 10) by its former ruler Great Britain. Therefore, low emphasis was put on other sectors than the mining and today copper constitutes close to 80% of Zambia’s total export and 12% of the country's GDP (Observatory of Economic Complexity, 2016a; World Bank, 2016). This resulted in few other competitive sectors and the reliance on copper made Zambia vulnerable to external factors, such as price shocks, which Zambia would suffer greatly from during the

1970's and 80's (Andersson et al., 2000). Figure 1 illustrates the relation between the copper price and Zambia's GDP growth since 1960.

Figure 1: Zambia's GDP growth and copper prices between 1960 and 2010



Source: Sikanmo, Mwamza & Mweemba, 2016)

Zambia's first decade as an independent country was good and its growth rate was one of the highest in sub-Saharan Africa. The copper price was high, which had a seemingly positive effect on Zambia's economy. One evidence for this assumption was that the copper export accounted for 94% of the total export income and 50% of the total governmental revenue during Zambia's first decade as independent (Andersson et al., 2000).

Zambia's second decade as an independent country had a bad start, this due to the oil crises that began in 1973, which led to a threefold increase of the oil price (Andersson et al., 1991). The copper price responded largely and rapidly to this price change and fell with 40% in 1975. As a result, Zambia's GDP growth began to fall as well. This in combination with an inflation that fluctuated between 10 and 20% (from 5 to 10% between 1964-1974) resulted in one of the worst growth rates in sub-Saharan Africa (Andersson et al., 2000). In 1973, Zambia's government took over the production of the mines. Zambia had previously owned 51% of the mining companies but the management and production had previously been executed by American companies (Kragelund, 2017).

In the 1990's the economic growth was bumpy in Zambia, pending between positive growth of 6.8% in 1993 and a negative growth of -8.6% in 1994 (Andersson et al., 2000). The total

output of copper started to shrink in the 80's. The copper output in 1997 was 301 000 tonnes in comparison to 482 000 tonnes in 1987 and 647 000 in 1977 (ibid). During the last decade of the century, Zambia privatised the mining rights that before had been owned and operated by the state for over 20 years (ibid). The investors originated mainly from the West and China (Bulfin, 2012). Zambia although kept some of its shares in the companies and became minority owners in seven new companies that were created (Kragelund, 2017).

In the beginning of the new millennia, the copper experienced a boom with a very beneficial outcome for Zambia. The copper price rose and came close to the same price as the of the late 60's and Zambia doubled its quantity of export as a result of the new price (Bigsten et al., 2009; Sikamo et al., 2016). This had a direct effect on Zambia's GDP that increased with 34% in real terms between 2000 and 2006 (Bigsten et al., 2009). Zambia's economy grew with 6% per year in the first decade of the new millennia which was far better than any of the three previous decades (Kragelund, 2017). However, the government made a mistake by giving the companies that bought the copper firms in the time of the millennium turn (when the copper price was very low) very favourable terms, which means that they pay very low taxes. This mistake resulted in decreased revenue for the government (Bigsten et al., 2009). The positive effect of the increased GDP has however neither been evenly shared within Zambia, instead has the inequality risen in the latest years (Kragelund, 2017). Lusaka, which is the copper richest region, is the region that has benefitted the most, while the rural areas are the most negatively affected. During the financial crisis in 2008, many of the local actors were ruled out from the industry and were replaced by bigger fishes. As a result, even more foreign companies entered the mining sector (Kragelund, 2017).

Today, Zambia is the world's sixth biggest copper producer and copper constitutes close to 80% of its total export (Kragelund, 2017; Observatory of Economic Complexity, 2016a). The copper price has fluctuated since the financial crisis in 2008 but are currently getting closer to the high price it had before the financial crisis (Infomine, 2017). The copper industry remains vital for Zambia's economy and the effects of this will be further elaborated in the analysis.

4.6 Manufacturing

The manufacturing sector in Zambia follows a similar pattern to many of the other sectors in the country. It blossomed during the first decade of independence and the government invested to further develop the sector and thus reduce its copper dependency (Andersson et al., 2000). However, as the copper price fell during the 1970's the manufacturing sector became affected as well, and its growth went from 12% a year during the first decade of independence to less than 1% during the second half of the 1970's. This fall in growth revealed how fragile the sector was (ibid). However, when the copper price remained low, the manufacturing sector started to rise. The sector's contribution to the GDP increased during the 1980's and peaked at close to 35% in the early 1990's (Trading Economics, 2017). This high rise in relative terms was contemporary with a decrease in Zambia's GDP and especially its copper output declined (Andersson et al., 2000; World Bank, 2017f). The manufacturing sector's contribution to Zambia's GDP shrank rapidly during the late 1990's and were back at the level of the early 1970's of approximately 10% at the millennium turn (Trading Economics, 2017). Zambia's GDP has risen rapidly during the third millennium and the manufacturing has lost some of its significance during the last 15 years period, with a decrease from 10% contribution to the GDP in 2004 to just over 6% in 2014 (Trading Economics, 2017; World Bank, 2017f). However, when the copper price fell in 2016, the manufacturing regained some lost ground and is today back at 9% contribution to the GDP (Trading Economics 2017; Kragelund, 2017).

There has been a lot of FDI in this sector during the last years, more than 800 million USD in 2011 (Zambia Development Agency, 2013). The manufacturing sector is privatised but the government plays an active role to improve the situation for the companies involved. Tax reductions and generous wear allowances are examples of support programs provided by the government. The government aims to help small and medium enterprises, especially in the copper refining sector. The government wishes to increase the amount of refined copper exported by Zambia and thus decreasing the amount of raw copper, leading to higher export revenue for Zambia (ibid). The amount of refined copper has increased in both relative and absolute terms, from 47% of the total export to 57% of the total export between 2005 and 2015. However, the amount raw copper has multiplied more than 30 times during the same period, from half a percentage to 18% of the total export in 2015 (Observatory of Economic Complexity, 2016a; Observatory of Economic Complexity, 2016b).

The manufacturing sector interacts with the other sectors to a large extent, for example the mining sector. However, the interaction could be further developed in order to increase both the sectors' profit. For example, the mining companies in Zambia prefer to buy their spare parts from South Africa rather than from domestic actors, even if the cost is higher (World Bank, 2011). This is since the range of products offered by the companies in South Africa is broader and the products have higher quality than those the domestic actors offer. An increased quality and diversification in these products offered by Zambia would increase the revenues in the manufacturing sector as well as decrease the costs in the mining sector (ibid).

In 2011, 25% of Zambia's total export value were manufactured goods (Zambia Development Agency, 2013). The manufacturing sector absorbs many of the other sectors in Zambia, mainly agriculture. Thus, food and beverages represent 63% of the manufacturing sector in Zambia 2011. Basic metals, mainly copper, consisted of 10% of the sector. Textile and leather products, wooden products and paper are other big parts of Zambia's manufacturing. The anticipated growth in the sector is positive, the sector averaged a growth of 3% a year between 2006 and 2011, and the growth is expected to continue (ibid).

4.7 Agriculture

Zambia's agricultural sector was heavily neglected during colonisation and the investments made by its colonial ruler, Great Britain, were made in the mining sector rather than in the agricultural sector (Andersson et al., 2000). Zambia was classified as a colony with low level of liberal colonialism and therefore inherited an underdeveloped agricultural sector at independence (ibid; Lange et al., 2006).

Today, the Zambian people are depending on their local agriculture (IAPRI, 2016), especially important are smallholders since they are the biggest contributors to the sector. Zambia's agricultural sector contains both medium and large-scale farmers, but these constitute just a small portion of the sector. (IAPRI, 2016). However, since independence in 1964, Zambia's government has strived for improved conditions within the agricultural sector, especially for smallholders (Chapoto, Jayne, Tembo & Weber, 2009). This has primarily been done through policies which promote maize production. Despite some rather strong fluctuation the average maize production output increased up until the 1980's. The government implemented

several policies to preserve this trend, such as funded extension services, seed research and fertilizer subsidies. However, all this was costly and became soon unmanageable for the sector. Resource allocation within the sector led to the neglect of necessary infrastructure, which was needed in order to achieve sustainable agricultural growth. In the late 1980's, the costs from the policies were so high that Zambia suffered macroeconomic instability and hyperinflation (ibid). During this turbulent time, food riots occurred in Zambia (Andersson et al., 1991), where several people lost their lives (New York Times, 1986).

In order to stabilise the market was the Food Reserve Agency (FRA) established in 1996 by the Zambian Government. FRA filled a variety of functions. For example, FRA held buffer stocks in order to soften price volatility. During the years of market liberalisation, FRA provided liquidity to ease the establishment of the private sector (Chapoto et al., 2009). FRA also had a price support function and purchased maize in remote areas where profitability was low (Govereh et al. 2002). In 2006, FRA increased its involvement in the market even further when they proceeded to buy a large section of the local production and thus owned approximately 34% of the country's domestically marketed maize. Through this, the government once again became a dominant player within the market. However, one major concern for the Zambian government is the compulsion to import maize when their own production is down, which is usually around 8-10 months after harvest (Chapoto et al., 2009).

Zambia consists of rather large land resource base of 42 million hectares, but only 1.5 million hectares are used for agriculture. The land is rich of water for irrigation, so the conditions for farming is good, even if the weather would fail. Crops cultured in Zambia apart from maize are for example sunflower, soya beans, rice, tobacco and wheat (Zambia Development Agency, 2011). The contribution of agriculture to GDP has during the last years been just above 6% (Quandl, 2017). Zambia's agricultural contribution to the GDP has experienced a downward trend since 2005 (ibid). This can be due to many things, but likely causes are a loss of labour force within the agricultural sector in favour of other sectors in rural areas and poor weather conditions. Nevertheless, Zambia's agricultural sector has great potential and may, if the right investments are made in combination with an implementation of conducive agricultural policies, flourish (IAPRI, 2016).

The sector is although in need of technological improvements to further develop. An efficient agricultural sector is constituted through increased production and productivity, which can be

achieved through improved agricultural technology (IAPRI, 2016). Example of this technology are fertilizers and improved seeds. As mentioned above, this was already on the agenda during the 1980's, but has become more common in recent years. The implementation of the Farmer Input Support Programme (FISP) has much to do with this improvement (ibid). FISP deals with the distribution of subsidized fertilisers and seed to smallholders. The purpose of this subsidy programme was to promote agricultural productivity and thereby increase the income of the population living in rural areas. A success with the program has been the increased maize production in the country. However, neither poverty reduction nor agricultural production has felt any positive effects from the FISP (Agricultural Consultative Forum, 2012).

It should be noted that Zambia's mostly trades agricultural products with its African neighbours. In 2016, more than 95% of Zambia's wheat and corn were imported and exported within Africa, a sign that Zambia mostly trades agricultural products with other third world countries (Trade Map, 2017a; Trade Map, 2017b). However, the agricultural sector's contribution to Zambia's GDP has since independence been lower than its neighbouring sub-Saharan countries (World Bank, 2017h). The sector is important for the working opportunities it provides the local population with, and has lately received extra governmental attention in the form of increased budget support. An increased agricultural output will hopefully lead to revenue, food security and working opportunities and in the extent of that, reduced poverty (Zambia Development Agency, 2011).

4.8 Education

There is a correlation between education and economic development and a more well-educated population generates an increased economic development (Ozturk, 2001). However, the education system in Zambia during the colonial era was created and designed by the settlers. The local population were often neglected and there were little attempts in educating the natives before the independence in 1964, and thus Zambia was left with a poor school system inherited from Great Britain after decolonisation (Bulfin, 2012). For example, there were less than 100 graduates from the university and only 2-3% of the local population had finished primary school at the time of independence (ibid). However, improvements were made over the following decade. An increased part of the Zambian population managed to complete primary school. This had to do with that the previously neglected rural areas now

had granted access to education to a greater extent. Although, despite all the improvements, there were a lack of people with an adequate education to be able to perform engineering and technical jobs. Further problematic was that the salary of teachers remained stagnated in the mid-1970's while those of civil servants rose, something that reduced the incentives to become a teacher (ibid). The economic decline that Zambia experienced during the late 1970's led, due to the falling copper price, to a declining amount of public spending and fewer investment were made in the educational sector which were reasons for the teachers' stagnated salaries (ibid).

The SAP that was implemented by international financial institutions in the mid 1980's had several effects. Those were among others the privatisation of the publicly controlled mining industry, the disappearance of thousands of jobs in the public sector and severe cuts in social spending (Bulfin, 2012). This in turn led to a budget deficit where the educational sector became underfunded and thereby unable to meet the needs of the country. The enrolment in primary and secondary school continued to increase. However, this combined with the shrinking governmental revenues resulted in huge classes. Classes of 60-90 students per teacher were not uncommon (ibid). Huge classes lead to less attention given to each individual and that bright students had to continue in the same pace as the one of the class, thus making it difficult for the smarter students to improve (ibid).

Earlier challenges for Zambia's education system have concerned the sometimes low level of commitment from several education providers (Government of the Republic of Zambia, 2011). This together with the lack of adequate preparation, financial, material and human resources have resulted in poor educational systems. This was very evident during the school reforms in 1996. Education reforms of 1996 suggested a transformation from Primary (Grade 1-7) into Basic (Grade 1-9) and Secondary (Grade 8-12) into High (Grade 10-12). However, the implementation of this new reform was troublesome. Only a handful Primary schools were transformed into Basic schools, the rest remained put in their previous educational system. The same applies for the transformation from Secondary (Grade 8-12) into High (Grade 10-12). The difficulties of implementing such changes were due to a combination of many factors. One of the many reasons were the lack of competent teachers (ibid). Many primary teachers were not qualified to teach grades 8-9, something that required special competence. But due to the lack of teachers many did so anyway. This also occurred in the new High schools. To avoid this problem, many remained in the old school system. Several

schools also lacked adequate laboratories, workshops, desks and other specialised rooms and facilities to meet the needs of the new school reform (ibid).

In 2009, unemployment was high in Zambia. Despite this had the government not been able to educate enough new teachers to replace the old ones who started to retire. The Zambian government also had problems with paying benefits to the retiring teachers. Luckily, they received unexpected help from the West, when the Netherlands chose to pay a grant, which temporarily solved the benefit costs (Bulfin, 2012).

The change of government in 2011 as well as the implementation of FNDP resulted in a merge of the Ministry of Education and the Ministry of Science, Technology and Vocational Training, which previously had been operating as two separate ministries, together they formed the Ministry of Education, Science, Vocational Training and Early Education (Government of the Republic of Zambia, 2011). This merge was made in order to harmonise the planning of education which previously had been a somewhat shattered, something that has resulted in duplication and problems with the budgeting of educational activities. This shift towards an unitary arrangement aims to solve this problematic as well as provide a simplified monitoring, evaluation and reporting of the educational system. The shift of government in 2011 also resulted in a demolition of the former school system and a return to the old one, meaning Basic schools become Primary schools and High schools became Secondary schools once again. This had much due to with the difficulties of implementing the reform from the beginning. But the transformation had also resulted in poor quality and a lack of relevance of the education. This became evident through the National Assessment surveys which showed stagnating performance level between the years of 2003 and 2008 (ibid). The survey displayed that very low level of teaching and learning occurred in the schools. The school reform of 2011 suggested a lot of new changes, such as reinstate free education from Grade 1 to 12, the teaching of local language at a primary level, upgrade teaches to meet minimum standard and encourage collaboration between industry and research institutions. Furthermore, focus will be put on subjects, which will benefit self-employment and the labour market. Another change is an increased priority of science at all levels. Community schools will also be upgraded to adequate Primary or Secondary schools and one of the biggest changes is that school will be compulsory until grade 12 (Government of the Republic of Zambia, 2011).

5. Analysis

5.1 Introduction

This chapter starts with a table that contains important facts for the forthcoming analysis. The table consists of three columns. The first provides a look at the sector's status at independence, the second column presents the sector's GDP contribution and the last column contains a quote from Zambia budget of 2017 (KPMG Zambia, 2016), which aim to represent the government prospects for the sectors. The table is supposed to be a quick historical journey that contains the past (column 1), the present (column 2) and the future (column 3). The analysis then continues with four subsections where the different sectors are individually analysed with support from postcolonialism and dependency theory. Together with the empirical studies are these two theories used to better understand how each sector has individually affected Zambia's economic development. In the last subsection of the analysis are the examined sectors compared with each other in order to conclude which sector that has affected Zambia's economic development the most since independence. Here we once again used postcolonialism and dependency theory but in order to better understand how the different sectors relate to and affect each other, we also incorporated two new theories, the unbalanced growth theory and the balanced growth theory. These two theories are useful since they provide two different models of how different sectors interact within an economy, and thereby how a developing country can achieve improved economic growth and development.

Table 2, The chosen sectors of Zambia. Author’s own compilation

Category	Status at independence	Contribution to GDP	Near future (KPMG Zambia, 2016)
Mining	<i>“Copper accounted for up to 94 per cent of export earnings and around 50 per cent of government revenue “(Andersson et al., 2000: 11).</i>	12% (World Bank, 2016)	<i>“To ensure that the sector continues to play a pivotal role in revenue generation, Government will implement effective mining monitoring mechanisms” (6)</i>
Manufacturing	<i>“Fragile manufacturing base” (Anderson et al., 2000: 16)</i>	9% (Trading economics, 2017)	<i>“Priority sector for investment incentives” (26)</i>
Agricultural	<i>“Agriculture were neglected” (Andersson et al., 2000: 9)</i>	6% (World Bank, 2017i)	<i>“The agricultural sector is a key driver for economic stability and growth” (5)</i>
Education	<i>“By the time of independence, the education system was perhaps the most poorly developed of all of the British Empire’s colonies” (Bulfin, 2012: 3)</i>	No statistics available	<i>“Government’s focus for 2017 will be the completion of various school infrastructure projects” (7)</i>

5.2 Mining

Zambia achieved its independence in 1964 and has since then been an independent country, at least in theory. But how much autonomy, real independence and self-determination Zambia in reality exercises is debated, and from a postcolonial perspective an often criticised matter

(Young, 2001). Zambia's mining sector consists of 12% of the total GDP, copper account for close to 80% of the total export value the and the copper price correlates to the country's GDP (World Bank, 2016; Observatory of Economic Complexity, 2016a). There is thereby no question about the mining sector's importance of the economic development of the country. However, the extraction of copper is made to a large extent by Western companies and the exportation of copper is often to Western countries as well (Kragelund, 2017). According to dependency theory, this gives the Western world a great influence over this sector, and due to the importance of the field, also power over Zambia itself and its economic development. From a postcolonial perspective, it is debatable whether FDI is desirable or not. It can be argued that FDI was a way to pressure Zambia into a capitalistic system that Zambia maybe was not suitable, nor ready, for. Instead, FDI can be seen as a way for Western countries to exercise indirect domination and thereby make developing countries further dependent on developed countries.

Postcolonialism is critical towards this hegemonic economic imperialism. Zambia is no longer a colonised country, but according to postcolonialism is this structures of injustice and unequal distribution of power still existing, something that becomes rather evident when looking at the current situation of the Zambian mining sector. Western companies extract copper in Zambia due to its profitability and according to postcolonialism is this indirect capitalist ruling harmful for the economic development. Capitalism is implemented in the third world by the West, for the West's own profit, and the Zambian case is no exception. This can be seen in the mining sector, where a capitalist approach is the basis for the exploration of Zambia. Western companies operate a profit-maximising business in Zambia, and is therefore ruthless towards the economic development of the country. The Western world has since the colonial era been interested in the natural resources of the third world. The copper industry in Zambia was no exception, and therefore was the mining sector already since independence disproportionately developed compared to other sectors in the country.

According to dependency theory is the correlation between Zambia's GDP and the copper price, presented in figure 1 on page 32hf, evidence for Zambia's dependency relationship with the Western world. Zambia can not on their own achieve any long-term sustainable growth, and is thereby dependent upon that countries in the centre purchase their copper. The copper price is set internationally and it is very hard, or impossible, for a country in the periphery, e.g. Zambia, to affect. The result is that Zambia's development is not in their own hands, but

rather in the hands of the centre countries that imports its copper. Zambia's dependency upon the centre countries within the mining industry grew in the last 1990's when the government privatised the sector and allowed foreign investment (Kragelund, 2017). As a result, the mines in Zambia are today majority owned by Western countries and China. This further increase Zambia's dependency, since their control of their own mines are limited. Dependency theory also discuss the issues that follows when centre countries gain control over a country's sector in the form of technology, royalties and interest. Zambia tries to minimise this problem by facilitating for companies in the manufacturing sector that are specialized in refining copper. If an increased amount of the raw copper would be refined in Zambia, by Zambian companies, the value of the copper exported would increase and Zambia would also regain some of the control over its own natural resource, thus decreasing the dependency on the centre countries.

Dependency theory argues that countries in the periphery are unable to grow without the support from countries in the centre. This has been evident in Zambia since independence, Zambia has been highly dependent on the copper price to increase its economic growth and development. During the times when the copper price was low, Zambia's GDP has increased slower and sometimes even decreased. This further state the fact that Zambia is dependent on outside help in order to grow, and thus can not achieve internal growth by itself. In times when the copper price is low, the distance between Zambia and the countries in the centre increases. This since the centre countries continue to grow regardless of the copper price, while Zambia's growth stagnates. When the copper price rises again, Zambia's growth increases but it will never, according to dependency theory, reach the level of the centre countries as long as the unequal relationship between the counties remains. Thereby, it is impossible for the developing world to catch up with the developed world. The developing world will always be at least one step behind and the gap of inequality will exist as long as this dependency relationship is present.

5.3 Manufacturing

The importance of the manufacturing sector in Zambia has varied since independence, with a peak at close to 35% contribution to the country's GDP to just shy under 10% during the latest years (Trading Economics, 2017). Today, the manufacturing sector in Zambia is the target for a large amount of FDI (Zambia Development Agency, 2013). It may be perceived

good to receive foreign investment in order to build up an important sector, but from a postcolonial perspective it is debatable whether FDI is desirable or not. According to postcolonial theory, FDI can be seen as a way of imposing Western culture and values on third world countries. This is further elaborated in the dependency theory, where it is stated that the distance between the centre and the periphery increases as the centre gives financial aid to countries in the periphery, e.g. Zambia. Dependency theory further problematizes that the real power does not lie within the country in the periphery, but rather within the centre. We can apply this idea to Zambia, which wishes to increase its amount of refined copper in the expense of raw copper (ibid). This has been clear by different support programs executed by the government during the last years, especially aiming at small and medium enterprises that refines copper. However, it is unlikely that the Western World, or the centre as it is known in dependency theory, has any interest in developing this branch in Zambia as long as it is not beneficial for them. Over a period of ten years, 2005 to 2015, the amount of copper Zambia exports has increased greatly. However, in relative terms has the amount of refined copper only increased from 47% to 57% of the total export, while the amount of raw copper has multiplied with more than 30 times during this period, from half a percentage to 18% in ten years (Observatory of Economic Complexity, 2016a; Observatory of Economic Complexity, 2016b). Even if the amount of exported refined copper has risen, the trend is undoubtedly that the amount of raw copper exported will increase more rapidly than the refined copper in the coming years which is the opposite of what Zambia's government desires. This can be used as evidence that Zambia's control over its own export is limited and that the real power, as the dependency theory argues, actually lies within the countries in the centre, something that affects the economic development of Zambia.

This can be exemplified by the fact that the mining companies in Zambia, owned by countries from the centre, prefer to buy spare parts to the mines from South Africa rather than from Zambia, even if the price is close to twice as high (World Bank, 2011). The mining companies needs better quality and a larger diversification of supply than Zambia can provide. Zambia wish to improve the quality of its manufacturing and thus be able to provide spare parts to the Western mining companies. The mining companies would prefer to buy their spare parts from Zambia rather than from South Africa, since the cost would be lower. If the power balance were even, this would most likely occur since both parts desire the same. This is however not the case. Zambia lacks the capital to invest enough money in the sector to develop it enough to meet the demanded quality and the companies lacks the incitement to invest in this area,

since the startup cost would be quite high. Therefore, a change will most likely not occur until Zambia has capital enough to invest in the sector themselves, or when the companies feel that the cost to import spare parts from South Africa is too high. Thus, the scenario will not change until either part gains enough resources, or incentives, to change the situation. This can be perceived as a situation that dependency theory discusses, that the periphery can only grow as a mirror of the centre. Zambia can not change the situation on its own, it is dependent on outside help and does thus not hold its faith in its own hands. According to dependency theory, sustained economic development is more likely to be achieved through a withdrawal from the capitalistic system and by doing so reconstruct the economy as well as the society on a socialist ground. Zambia would by doing so retake control of its own economy rather than to be a puppet to the Western world.

5.4 Agriculture

Since independence, the agricultural sector's contribution to Zambia's GDP has been less than the one of other sub-Saharan countries (World Bank, 2017h). This is quite remarkable, since Zambia has good conditions for agriculture and farming and the sector holds a great potential. The link between the past and the present, which is the essence of postcolonial theory, is highly visible in the agricultural sector and its failures during the first decades of independence. In order to understand how the agricultural sector has affected Zambia's economic development it is necessary to have a historical perspective. We argue that Great Britain's neglect of Zambia's agricultural sector is one of the main reasons for its poor development during early independence. This has in turn hindered the agricultural sector from achieving its full potential and thus promote Zambia's economic development.

The agricultural sector is today an important sector in Zambia. It does not only provide Zambia with food and export revenues, it also contributes with a lot of work opportunities. In our chosen definition of economic development, established in chapter 3.1, a reduced level of poverty is mentioned as a desired result of the development process. In chapter 4.3, we referred to Boahen (1987) who argued that the agricultural sector is a sector that increases the possibility for social climbing, referring to a decreased level of poverty for a larger group of people. This has however not been the case in Zambia, where the percentage of people in poverty has greatly increased during the last 20 years, the majority of them living in rural areas (YEZI, 2013; World Bank, 2017d; Kragelund, 2017). The paradox that Zambia's

GDP/capita during the third millennium has greatly increased simultaneously as the percentage of people living in poverty also has increased is a failure of Zambia's economic development. The agricultural sector which could be a sector that diminishes the income gap has failed in that aspect. The dependency theory discusses this polarisation within peripheries, a polarisation which has increased in Zambia. It problematizes over the fact that only a small privileged group of the society obtain the benefits of the countries increased assets and that they spend it on their own unnecessary consumption rather than to invest it domestically and thus decrease the income gap within the periphery. Agriculture is a key sector for developing countries in order to reduce the poverty within and thus lower the polarisation in the country. There have been programmes that have aimed at decreasing poverty within the rural areas such as the FISP, but they have failed. It is important that Zambia keeps launching this type of programmes regardless of previous failures since the ability to decrease poverty and to spread wealth across the country is one of the greatest strength of the agricultural sector.

The dependency theory claims that sustainable economic growth only can be achieved through a decampment with capitalist imperialism. In terms of trade, Zambia has almost entirely wiped out its connection with the Western world. Over 95% of Zambia's trade within the agricultural sector is conducted within Africa (Trade Map, 2017a; Trade Map, 2017b). This is, according to dependency theory, a good step to take in order to increase its growth. Dependency theory also problematizes over the fact that the real power lies within the countries in the centre instead of the periphery, which for example can be executed through international ownership in certain sectors. However, this is not the case in the agricultural sector and Zambia's choice to further detach itself from the West by trading agricultural products with other countries in the periphery, e.g. its African neighbours, is a good strategy in order to diminish the reliance on the West and thus increase its autonomy within the sector. Zambia's high potential within this sector, combined with its detachment from the centre in terms of trade are two indications that its agricultural sector has the potential to blossom in the coming years.

5.5 Education

To what extent the educational sector affects a country's economic development can be hard to measure. There are no numbers that clearly specify the exact outcome of a more well-educated population. However, that it does matter becomes evident in the definition of

economic development conducted by Carley et al. (2011), which states that “...*improving the economic opportunities for the people that live and work within them*” (Carley et al., 2011: 283). This since one way of improving the economic opportunities can be to improve the country's school system. A more well-educated workforce creates opportunities for further economic development. Knowledge and learning are important matters and it can be linked to economic development (Ozturk, 2001).

From the colonial era, Zambia inherited a poor school system (Bulfin, 2012). This reconnects to the weakness that has been observed in countries where a low level of colonialism was implemented. Through a dependency theoretical perspective, the school in Zambia was developed from a Western model, and thereby not necessary beneficial for the local population. This criticism gets support from postcolonialism, which states that the Zambian school system was constructed for a European fit and therefore irrelevant for the local population. According to dependency theory, capitalistic countries converts socialistic systems into sources of their own development. The Zambian school was, in the beginning, created to meet the needs of the settlers and their children rather than the natives (Bulfin, 2012). This gave Zambia a bad start at independence. The educational situation in Zambia has improved, but is still somewhat problematic and further progress is needed (ibid). From a postcolonial perspective are Western structures, that can be traced back to the colonial era, still present within the Zambian school. This structures shapes and forms the educational activities even in present time and this has according to postcolonialism been a contributing factor to Zambia's problematic school system. Dependency theorists argues that sustainable economic growth will be achieved through a decampment with the capitalistic system, and by doing so reconstruct the economy on a socialist ground.

It is possible to point out different aspects related to Zambia's school system that can be analysed with dependency theory, and there is according to Ghosh (2001) even a subsector within the dependency theory called academic dependency which manifest the problematic influence that centre countries have over the education sector in the peripheries. According to this theory, the centre exerts a form of indirect dominance due to the fact that the school systems in Zambia are initially Westerly designed. How far this affects Zambia can be difficult to determine but what is clear is that the school system of Zambia from the beginning was designed by conditions constituted by the West, which is something that still remains. Meaning, in present time are a lot of the activities conducted in the Zambian school on the

condition of the centre. This comes natural for the countries in the centre and is thereby rarely questioned. How Zambia's school would look today without a previous colonial influence is hard to say and such discussion becomes immediately hypothetical. But that it has benefited Zambia's economic development is at least from a dependency theoretical perspective highly questionable, rather is it according to this theory the opposite.

The discussion regarding the dependency relationship between Zambia and the centre becomes sometimes rather abstract and thereby hard to grasp. To make it more concrete, the event that occurred in 2009 when the Netherlands paid Zambia a grant can be used as an example (Bulfin, 2012). In the short term, this solved some of Zambia's problems within the educational sector. However, dependency theorists would argue that this example once again only manifest the dependency relationship between Zambia and the West, where Zambia is the inferior part that only can grow as a reflection of the West. Financial aid is according to dependency theory problematic, since it increases the gap between the centre and the periphery rather than decrease it. Economic development should come from within and external help are rather counterproductive according to the dependency theory.

Zambia's school system has had some progress, but regardless of this is the school in need of further improvement to increase the economic development in Zambia. There has throughout the history been major policy orientation within this sector and the changes suggested in 2011 might sound promising. However, one should know that all the suggestions from the government are limited to the resources of the Ministry of Education, Science, Vocational Training and Early Education. Meaning, some suggested new policies will only be stated and a framework regarding how to achieve them will be developed. In reality, they will be difficult to implement. This unfortunately concerns the introduction of free and compulsory education for Grades 1 to 12 (Government of the Republic of Zambia, 2011). Changes is easy in theory but in reality far much harder to implement, and Zambia has a lot of work to do in order to create a school system that can affect the economic development in Zambia in a more beneficial way.

5.6 Comparison of the sectors

Mining was the dominant sector in Zambia at independence and the economy was to a large extent characterised by copper (Andersson et al., 2000). Zambia inherited due to their former

ruler Great Britain an economy that was rooted in unbalanced growth. The choice of key sector was thereby not a strategic choice by Zambia, which is the idea of the unbalanced growth theory. Rather was the choice of mining and copper an involuntary choice, which originates from Great Britain's interest in Zambia's natural resources. The assumption of mining as a key sector would according to the unbalanced growth theory mean that Zambia should focus even more resources on that specific sector. A concentration of resources towards this sector would according to the unbalanced growth theory eventually lead to the development of other sectors as well. Thereby, Zambia had an opportunity to follow the path of unbalanced growth theory in order to achieve economic development. According to this theory, a functional economy can originate from one sector. This has throughout the years to some extent also been the case of Zambia. Figure 1 on page 32 shows that when the copper price is high the mining sector performs well, which is reflected upon the country's total GDP and when the country is prospering, other sectors are given the opportunity to grow as well.

One of the positive outcomes from a well functioning mining industry, which complies to the unbalanced growth theory, are the opportunities created within the manufacturing sector. Zambia's government has executed programs that aims to help small and medium enterprises that redefines copper (Zambia Development Agency, 2013). This is an example of forward linkages and thus intersectional growth, which generates economic development. This is beneficial according to the unbalanced growth theory, since the resources from the key sector, mining, spills over to the manufacturing sector. However, this is problematic according to the balanced growth theory, since the government's desire to increase the amount of copper in the manufacturing sector will make the country's dependence on one resource even heavier. This could be seen as a sign that the government has not learned from previous mistakes and it may be problematic in the future if the redefining of copper becomes a leading part of the manufacturing sector. This since a price fall in copper then would led to the burst of two important sectors at once, mining and manufacturing. The copper price is an external factor that Zambia can not effect which makes Zambia extra vulnerable. However, this is not the case today since the redefining of copper only make up a small portion of the manufacturing sector (Zambia Development Agency, 2013), but it is a situation that the government should take into account in their forthcoming expansion of the manufacturing sector.

The manufacturing sector was at its peak, in terms of contribution to GDP, when the copper price was low in in the early 1990's (Trading Economics, 2017). Today, the sector contributes

9% of the GDP and is expected to grow. However, there is a high amount of FDI in the sector and the government seems to not prioritise it very high. The private sector, and thus some foreign companies, are the lead actors within the sector where the government has an active but not a leading role. Zambia's resources are limited and the government has chosen to not invest so much in the manufacturing sector, rather is the focus on other sectors. The sophisticated, balanced growth approach which Zambia has leaned more and more to in the recent years has not yet fully included the manufacturing sector. It should though be pointed out that the manufacturing sector is not excluded and investment are encouraged by the government even if the government itself lacks the resources to fully invest in the sector itself. Zambia's government's relative lack of interest as well as the sector's high amount of FDI, which is seen as negative especially in the dependency theory, are two reasons why we do not believe that the manufacturing sector is the sector that has affected Zambia's economic development the most since independence and thus is not the sector we seek.

The copper is today not as vital for Zambia's economy as it was 50 years ago. The copper's share of the total export revenue has shrunk from 94% to just over 75% (Andersson et al., 2000; Observatory of Economic Complexity, 2016a). The mining sector's contribution to the GDP is 12% which is more than the other sectors but the dominance is not as evident as it has been throughout the history (World Bank, 2016). The importance of copper in Zambia's economy is undeniable but Zambia's development during the last decades has shown that even if the copper has succeeded in achieving economic growth, it has failed at increasing economic development in the same pace. The high amount of Western involvement in the sector may, according to postcolonial theory as well as dependency theory, be one of the reasons for the mining industry's failure to bring increased economic development to Zambia. When the copper price burst, the whole economy fell in Zambia. The economy was too unbalanced and there was too much focus on copper and the mining industry. Zambia's economy was thus far from diversified when all eggs were placed in one basket. This shows what a high-risk strategy the unbalanced growth theory is. It can be possible to gain economic development through this approach, but the strike can be very hard for the whole economy if the key sector recesses.

Due to the mining sector's failure, now might be the time for other sectors to pick up the baton. The agricultural sector holds great potential in Zambia and there is a lot of unexploited soil that waits to be explored (Zambia Development Agency, 2011). As a contrast to the

mining sector, that only provides revenue, has the agricultural sector more to offer. Food, working opportunities and increasing chances of social climbing are all options provided by the agricultural sector that can result in an increased economic development. Zambia's agricultural sector thus holds a great potential which is further increased by its relative detachment from the West which, according to the dependency theory, is necessary in order to achieve sustainable growth. However, today does the agricultural sector only contribute to 6% of the GDP and the number has diminished for the last years (Quandl, 2017). Furthermore, the rural areas are the poorest areas in Zambia. This is most likely a result of the neglect that the agricultural sector experienced when Zambia was a colony. A lot of resources were put in one sector, mining, rather than to spread out the resources as the balanced growth theory proposes. The creation of demand, which is the core of balanced growth theory, was not executed and the people living in rural areas are poorer today than 20 years ago and the increased wealth in Zambia has instead been allocated to the copper district as well as the urban districts (YEZI, 2013; Kragelund, 2017). Therefore, has the demand remained low in the rural areas and a low demand is according to the balanced growth theory one reason behind a lagging economic development. However, the Zambian government has since independence tried to implement several policies that would benefit the agricultural sector and by doing so tried to balance and diversify the economy (Chapoto et al., 2009). A diversified, balanced economy would according to the balanced growth theory generate economic development since a simultaneous expansion of sectors within an economy according to the balanced growth theory leads to an overall higher demand which results in intersectional trade. Unfortunately have close to all policies implemented by the government failed. Regardless of previous failures, it is important that Zambia's government stays persistent in this matter and keeps introducing programs and reforms that facilitates the farmers' possibilities. The agricultural sector is highly prioritised by Zambia's government and in their budget of 2017 is it said that "*the agricultural sector is a key driver for economic stability and growth*" (5) which is a clear indication that the government has realised the sector's potential and that they will aim to improve it in the coming years. However, despite the sector's current importance and future potential is it hardly the sector we seek. This due to its relative small contribution to the GDP combined with its long periods of neglect during early independence. It can therefore not be argued that it is the sector that has affected Zambia's economic development the most since independence and thus is the agricultural sector not the answer to our research question.

The educational sector differs slightly from the other sectors investigated throughout this thesis. It is hard to measure human capital and to pinpoint exactly what an increase of it means for Zambia's economic development. The unbalanced growth theory and the balanced growth theory are also hard to apply on this sector, which furthermore complicates the comparison with the other three sectors. There are no specific links to other sectors, nor backward or forward, if not the output of human capital can be seen as a forward linkage that is to be used as input within other sectors of the economy. This since a more well-educated population will be beneficial for other sectors as well. However, this reasoning might lack theoretical substance and the effect from it is hard to measure. Education as a sector is least said hard to apply to the unbalanced growth theory. The spillover effect from for example the mining sector are hard to see in this sector. Education is rather a sector that needs to be maintained and developed all the time, this due to the importance of it, something that fits better with the balanced growth theory. Education is a pillar stone of a country's economy and there is a correlation between increased economic development and a more well-educated population (Ozturk, 2001), but to which extent this applies is harder to say. Zambia's educational sector is unfortunately far from problem free (Bulfin, 2012) and according to postcolonialism has this to do with the neglect of the sector that occurred during the colonial era. Western educational system was forced on the natives, which according to postcolonialism have not been beneficial for the local population (ibid). However, there is no doubt that Zambia's educational sector needs to improve in order for the country to achieve sustainable economic development. The educational sector is an important sector, and from an economic development perspective, it has a lot of potential. But due to the underdevelopment of the sector has it not been able to affect the economic development to a large extent, rather is it arguably the lack of it that has negatively affected the economic development in Zambia. But this is even harder to measure and this reasoning quickly becomes very hypothetical and anti-theoretical. The educational sector is a sector with great potential to affect the economic development, but this has to the present day not been the case and the educational sector is thereby not the sector that has affected the economic development in Zambia the most.

The trend is that Zambia moves towards a more balanced economy, where the government invest in several sectors simultaneously. This in a way that reminds of the sophisticated balanced growth approach. The government tries with scarce resources to create a more diversified economy. However, the structure of the former unbalanced economy is still present and 50 years after independence is copper still 75% of Zambia's total export earnings

(Observatory of Economic Complexity, 2016a). The significance of the mining sector becomes further clear through the statement by the government in the budget of 2017 when they mention the sector's "*pivotal role in the revenue generation*" (KGMP Zambia, 2016: 6). Copper is currently the resource which Zambia's economy revolves around. Furthermore, as late as 2015 the copper price fell and so did as a result Zambia's GDP, which indicates that the correlation between the two still exist (World Bank, 2017f; Infomine, 2017). Another thing that highlights the importance of the mining industry was our analysis made using the unbalanced growth theory, where it became clear that the mining sector is the sector that affects the other sectors of the economy more than they affect the mining sector. The dependency theory emphasised the problematics of Western influence which is very present in the mining sector. Capitalistic Western companies perform profit maximising activities, which according to this theory as well as postcolonialism is not beneficial for the economic development in Zambia. All this together makes it possible to conclude that the mining sector is the sector that has affected the economic development in Zambia since independence the most.

6. Conclusion

6.1 Contribution

This thesis has investigated different sectors in Zambia that all have had a big impact on Zambia's economic development since independence. We chose to treat our thesis as a funnel where we started quite broad to gradually narrow it down. In the empirical section, we presented the four sectors we believe were the most important in Zambia's economy. Those sectors were then firstly individually analysed and then compared against each other in a final analysis with purpose of finding the sector that has affected Zambia's economic development the most since independence.

The educational sector differentiate itself from the other investigated sectors, since it was hard to measure its contribution to the economic development. However, it is clear that a developed, efficient educational sector is beneficial for economic development. But since Zambia has had a underdeveloped educational sector has this sector not been given the opportunity to contribute to the country's economic development. It is rather the absence of a proper educational sector that has affected the economic development in Zambia. Another sector in Zambia, whose importance has varied greatly since independence, is the manufacturing sector. Today it is a sector that attracts a lot of FDI and the government act as a caretaker rather than as a participant in this sector. According to the dependency theory, FDI is undesirable and something that increases rather than decreases the economic distance between the centre and the periphery. The government executes control in this sector with different reform programs and tax reductions to attract investors rather than to invest themselves. Even if the sector is important is the own government's disinterest in investing in the sector a sign that it is not the most important sector in Zambia's economy. One sector that the government shows greater interest in is the agricultural sector, which is described as "*a key driver for economic stability and growth*" (KPMG Zambia, 2016: 5). Zambia's agricultural sector holds great potential and can apart from providing revenue and food also provide working opportunities and reduced poverty. The sector has also partly detached itself from the West, 95% of Zambia's agricultural trade is within Africa, which is seen as beneficial according to the dependency theory. The sector was though heavily neglected when Zambia was a colony and the majority of the reforms that have had the ambition to develop Zambia's agricultural sector since independence have failed. Although, it is important that the

government is persistent and keeps launching programs which targets to develop the agricultural sector, which is crucial for Zambia's future economic development. However, the sector's previous failures and neglection have hindered its effect upon Zambia's economic development and today its contribution to the GDP is only 5%. Thus we argue that it is not the sector that have affected Zambia's economic development the most since independence.

In our analysis, it became evident that the mining sector is the sector that has affected Zambia's economy the most. When Zambia became independent, it inherited an involuntary unbalanced economy which is still present today. The unbalanced growth theory that we used in the analysis made it clear that the mining sector affects the other sectors more than they affect the mining sector. Further analysis was made with support of postcolonialism as well as the dependency theory and the two together emphasised the problematics of Western capitalistic influence, which is not beneficial for this sector and thus the economic development of Zambia. The fact that 75% of Zambia's total export earnings comes from copper and that the Zambian GDP still correlates to the copper price are further arguments that support the statement that mining is the sector that has affected the economic development in Zambia the most since independence.

6.2 Further research

We established in the problematization that the thesis was to be seen as a middle step in the research chain. The purpose of the study was to determine which sector that has affected the economic development in Zambia the most since independence and then suggest it for further research. This knowledge provided in this thesis can then be used as a guideline for future researchers, since the outcome of this thesis gives an idea of where to put further focus. The mining sector, which we concluded to be the most important sector in Zambia, can be further researched in multiple ways. One suggestion for further research would be to investigate how the economy could develop without being so dependent on the mining sector but rather become more diversified and rely on multiple sectors while still remaining world leading in copper export. We believe that Zambia need to diversify its economy in order to increase its economic development. Another suggestion for further research is to investigate if the mining sector has had mostly a positive or negative affect on Zambia's economic development. We chose to investigate which sector that had had the most effect, regardless if the effect was positive or negative. The mining industry has contributed to great revenues for Zambia but

has also pushed away other sectors. It would be interesting to investigate if the high amount of copper in Zambia has been mostly beneficial or harmful for Zambia's economic development.

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