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**Working Paper**

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WIDER Working Paper, No. 27/25

**Provided in Cooperation with:**

United Nations University (UNU), World Institute for Development Economics Research (WIDER)

*Suggested Citation:* Mlilo, Mfundo; Mahofa, Godfrey (2025) : Structural transformation under vertically divided authority in Harare, WIDER Working Paper, No. 27/25, ISBN 978-92-9256-584-8, The United Nations University World Institute for Development Economics Research (UNU-WIDER), Helsinki,  
<https://doi.org/10.35188/UNU-WIDER/2025/584-4>

This Version is available at:

<https://hdl.handle.net/10419/322100>

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# Structural transformation under vertically divided authority in Harare

Mfundo Mlilo<sup>1</sup> and Godfrey Mahofa<sup>2</sup>

April 2025

WIDER WORKING PAPER

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**Abstract:** This paper explores structural transformation in Harare, a city characterized by vertically divided authority. Harare's unique governance structure can offer invaluable insights into the role of political determinants in structural change in African cities. We aim to demonstrate how political dynamics have aided or undermined efforts to enhance long-term growth and structural change in the city's economy. We examine the spatial distribution of economic activity to account for structural transformation patterns and identify the drivers and constraints affecting this process. Additionally, we investigate how power configurations and their interactions with national and metropolitan political settlements and institutions impact the potential for structural transformation and sustainable development. We find an increase in the share of employment in agro-industrial sectors along with a significant decline in the share of manufacturing employment. There is a noticeable dominance of low-productivity informal manufacturing in Harare, where the spatial distribution of economic activities seems to follow historical patterns of industrial zones. The political economy dynamics of governance resulting from the narrowly concentrated political settlement seem to influence economic activities and public infrastructure distribution. In conclusion, we propose policy options to address the identified impediments to structural transformation. By implementing these measures, Harare can overcome the barriers to structural transformation and create a more vibrant, efficient, and inclusive economy.

**Key words:** structural transformation, urbanization, political economy, Harare, African cities

**JEL classification:** E02, D02, H11

**Note:** A previous version of this working paper contributed to the ACRC's structural transformation domain report (Danquah et al. 2025) as well as to WIDER Working Paper 2024/50 (Sen 2024).

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This study has been prepared within the UNU-WIDER project **African Cities Research Consortium – the structural transformation domain**. The **African Cities Research Consortium** (ACRC) is implemented by a consortium led by the Global Development Institute (GDI) at the University of Manchester. UNU-WIDER is a core partner, focusing on structural transformation in African cities.

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ISSN 1798-7237 ISBN 978-92-9256-584-4

<https://doi.org/10.35188/UNU-WIDER/2025/584-4>

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The Institute is funded through income from an endowment fund with additional contributions to its work programme from Finland and Sweden, as well as earmarked contributions for specific projects from a variety of donors.

Katajanokanlaituri 6 B, 00160 Helsinki, Finland

The views expressed in this paper are those of the author(s), and do not necessarily reflect the views of the Institute or the United Nations University, nor the programme/project donors.

# 1 Introduction

Since the African Union's call for economic transformation through Agenda 2063: The Africa We Want and the publication of influential reports on structural change by the African Development Bank and the Africa Centre for Economic Transformation (ACET 2014), there has been increasing concern over the patterns and drivers of and impediments to structural change in Africa. In sub-Saharan Africa (SSA), promoting structural transformation within cities is crucial to stimulating growth and tackling inequality, unemployment, and poverty (Lall et al. 2017). However, research on these dynamics has concentrated mainly on economic factors, often overlooking institutional and political economy perspectives that could further illuminate patterns, drivers, and barriers relating to structural transformation (Collord et al. 2021 for a comprehensive literature review). This approach is gaining traction in development economics, reflecting a recognition that politically determined institutions play a critical role in shaping firm investment patterns (Acemoglu et al. 2005; Sen 2015b). Furthermore, the effectiveness of these institutions is influenced by the distribution of power—often described as the 'political settlement'—among key societal groups (Khan 2010; Sen 2015b). Therefore, we focus on examining the power balance among these groups within cities to understand and explain city-wide structural transformation.

Like many African cities, Harare has experienced urbanization without the corresponding growth of a diverse export-oriented manufacturing industrial sector (McMillan et al. 2014; Sen 2024). Rapid urbanization led Harare's population to grow from 642,191 in 1982 to 1,435,784 in 2012 (Kamusoko et al. 2013). The city's population is dynamic, with a significant influx of day workers from nearby towns, including Marondera, Chitungwiza, Norton, and Ruwa, potentially increasing the daytime population by over 1 million. UN-Habitat (2014: 225) projected that Harare's population would continue to increase at 3.54 per cent annually. However, recent data indicate that growth rates have slowed. Muchadenyika (2020: 53) observed: 'Between 2002 and 2012, Harare was marked by a drastic movement of people from the urban to "rural" parts of the city, driven by the desire to claim and "own" land as a hedge against the deteriorating economic environment.' Consequently, Harare's rural population increased from 23,023 in 2002 to 113,599 in 2012, representing a 393.4 per cent rise. Census data confirm this trend, showing that, while the city grew by 85 per cent between 1982 and 1992, growth slowed to 19 per cent from 1992 to 2002 and to 11.4 per cent between 2002 and 2012. Additionally, the share of the rural population as a percentage of the total rose from 65.41 per cent in 2002 to 67.75 per cent in 2020 (ZimStat 2013, 2022). These urbanization rates may help to explain the negative structural transformation trends mentioned above.

One key characteristic of African cities is their dominance by non-productive informal enterprises. In Harare, hundreds of thousands of informal sector workers are engaged in various activities, including mobile phone trading, carpentry, metal fabrication, commercial sex work, second-hand car sales, illegal tuck-shops, money changing, informal settlements, informal education, illegal transport operations (known as *mushikashika*), and street vending (Chirisa 2007). Zimbabwe has the second-largest informal sector in the world after Bolivia (Medina and Schneider 2018). At independence in 1980, the informal sector accounted for about 10 per cent of the labour force, but by 2007 it had increased to 70 per cent (Dube 2010 quoted in Chiumbu and Nyamanhindi 2012). Over the last two decades the informal sector has expanded significantly as unemployment has increased due to economic contraction, as will be discussed in Section 1. The 2011–14 labour survey revealed that 94 per cent of currently employed persons aged 15 and above were informally employed, the rates for those aged 15–24 and 15–34 being 98 per cent and 96 per cent, respectively. This highlights the sector's dominance (ILO 2016) and the significant impact of informality on structural transformation.

Finally, the City of Harare presents a case of vertically divided authority, where the local government, under the opposition party Citizens Coalition for Change (CCC), manages the city, while the central government is led by the ruling Zimbabwe African National Union-Patriotic Front (ZANU-PF). This fragmentation of authority can create governance inefficiencies that hinder the local government's ability to foster industrial growth. It has been demonstrated in other contexts that such divided governance may reduce the city's capacity to implement cohesive industrial policy, undermining structural transformation (Resnick 2014). This political misalignment, coupled with broader macroeconomic challenges, has likely contributed to the stagnation of Harare's manufacturing sector. The city's economic landscape has shifted towards low-productivity industries and informal enterprises, particularly in manufacturing. Central government strategies, often aimed at subverting opposition-led urban administrations, have exacerbated this structural imbalance, further limiting productive investment and economic diversification. The main challenge is that subversive strategies by the central government to control policy-making and the city's economic resources are retrogressive. These structured deals do not favour long-term growth (Sen 2024), and the city lacks the stability required for predictable policy-making. In this paper, we examine the spatial distribution of economic activity to account for structural transformation patterns and the drivers and constraints affecting this process. Additionally, we investigate how power configurations and their interactions with national and city political settlements and institutions impact the potential for structural transformation and sustainable development in Harare.

The rest of the paper is structured as follows: in Section 2, we briefly review our approach with regard to political settlements and business relationships; in Section 3, we describe our research design and methodology; in Section 4, we present our findings on the scale and scope of structural transformation in Harare; Section 5 examines how political factors influence the city's structural transformation outcomes; finally, in Section 6, we conclude with recommendations for policy-makers facing the challenges identified in the study.

## **2 Political settlements: economy and business environment in Harare**

In this section, we deploy the political settlements framework as a heuristic tool to explain how power configurations and institutions influence the potential for enhancing structural transformation and fostering sustainable development. In this way we can uncover the systemic constraints preventing African cities (in our case, Harare) from achieving structural change. The notion of a political settlement 'seeks to go beyond formal notions of governance to uncover the underlying forms of power and politics that shape which institutions emerge and how they function in practice' (Kelsall et al. 2021). Therefore, urban development and prospects for reform can be explained through an understanding of who wields power and how they use it. A political settlement is a common understanding among a society's most potent groups about the basic rules (or institutions) of the political and economic game (Kelsall et al. 2021). Those rules create opportunities or benefits for 'insider' groups, often to the exclusion of 'outsiders'.

There are several typologies of political settlements, but in this paper we adopt the Effective States and Inclusive Development (ESID) Research Center conceptualization, which

classifies political settlements along two dimensions: (1) the social foundation – that is, the breadth, depth and social identity of the powerful groups that make up the settlement's 'insiders'; as well as the identity of groups that are excluded from or

marginal to the political settlement. Where the social foundation is 'broad' (covering a range of social identities, such as racial, ethnic, gendered) and deep (covering a range of income or class groups), high-level leaders will be incentivised to try and deliver broad-based, inclusive benefits to the population (though a few groups may still be excluded). Where it is narrow and/or shallow, they are likely to demonstrate less commitment to this. (2) the power configuration – that is, the degree of concentration of power in the country's top leadership (Kelsall et al. 2021).

Where there is a strong ruling elite, the settlement is concentrated, and where, by contrast, the leader's bloc is weak, we say that power is 'dispersed'. These two dimensions are hypothesized to affect the degree of elite commitment to and state capacity to implement inclusive development policy (see Kelsall et al. 2021: 9 for a broader discussion).

Cities operate within national systems, making the city economy crucial for maintaining a country's political settlement. This explains how national political structures interact with city-level actors and shape clientelist relationships (Khan 2010). As Kelsall et al. (2021) argue, a political settlement analysis at the city level should identify the most influential groups at both national and city levels and examine their relationships. It should also assess the extent to which national political elites control or allocate resources within the city, identify marginalized groups, and explore how the distribution of power and resources influences city dynamics—particularly the economic, infrastructural, and technical systems that connect or divide these groups. Our analysis indicates that the political settlement that impacts Harare is narrowly concentrated, with ZANU-PF dominating and being the decisive power block. Party–state conflation has allowed ZANU-PF to build a dominant hegemony in Zimbabwe's economy (Bratton and Masunungure 2008). Since the country's independence from Great Britain in 1980, the ruling party has established a highly personalized and uncompetitive political settlement that has reproduced and consolidated closed and ordered deal spaces in its favour. More than 25 years of opposition leadership in Harare have failed to break this control and alter the narrow and concentrated political settlement. In 2013, Zimbabwe adopted a new constitution that places greater power and management of local government areas' affairs in lower government tiers through devolution. Still, the subsidiary legislation that gives life to these new provisions has yet to be enacted 12 years later. This means that the Urban Councils Act (Chapter 29:15), Town and Country Planning Act, and Provincial Councils Administration Act (29:11), which were created during the centralization of power policies in the early 1980s, still give local government ministers excessive power to control local government affairs.

Since 1980, Harare's political and business landscape has evolved, being primarily shaped by the ruling party's state-led development policies. From 1980 to 2002, ZANU-PF controlled the city, with all mayors coming from the party. During this period, policies focused on the dismantling of colonial-era structures, supported by a strict urban planning bureaucracy inherited from the colonial government. One of the significant successes was expanding homeownership schemes for the Black majority (Muchadenyika 2020; Potts 2011). As McGregor and Chatiza (2020) note, throughout the 1980s ZANU-PF dominated urban governance and mobilization, initially aligning with trade unions, student groups, women's movements, and resident associations (Raftopoulos 2006). However, economic challenges, particularly the failure of structural adjustment programmes in the 1990s, led to widespread retrenchments, fuelling the rise of informal settlements and workers (Bond 1998; Bond and Manyanya 2003). This national and urban crisis weakened ZANU-PF's dominance, paving the way for strong opposition from the Movement for Democratic Change (MDC), ultimately ending the ruling party's control of the capital.

To regain control of urban areas, ZANU-PF employed various strategies, primarily altering urban governance laws (Kamete 2006). The party stripped councils and mayors of executive powers, reducing mayors to ceremonial roles (Chatiza 2010). This allowed the government to interfere in council decisions by appointing loyal city officials, creating a disordered and restrictive governance environment that supported a narrow and concentrated political settlement. In 2003, just a year after MDC's Elias Mudzuri was elected mayor, he was dismissed on dubious charges. The government then installed a ZANU-PF-appointed commission to run the city for five years despite a High Court ruling declaring it illegal. During this period, the government deliberately undermined the city council by withdrawing public sector funding and enacting laws that shifted key revenue streams to government-controlled entities. In 2004 the council's mandate over water and sewerage services was transferred to the state-run ZINWA, and in 2009 the authority to collect road user fees was reassigned to ZINARA. These moves deprived the council of over US\$200 million annually, crippling municipal authorities, which were left with unfunded mandates (Marc Finn and Bandaiko 2024). Collapsing public infrastructure increased the cost of doing business and undermined the city's transformation. This gradual 'erosion of democracy reduced business access to state elites, breaking up a growth coalition that [had] initially showed considerable promise' (Bräutigam et al. 2002).

Meanwhile, ZANU-PF expanded its influence by controlling the informal sector, distributing urban land to its supporters, and leveraging informal housing as a political tool. This instability severely hampered the city's ability to implement growth-oriented policies or support businesses in Harare. Following the 2017 military-backed government takeover, there was a brief period of relative order under the 'Zimbabwe is Open for Business' policy. However, this quickly unravelled, and the government reverted to its previous tactic of suppressing urban councils. As a result, Harare's business environment remains highly informal and unstable, discouraging investment and structured economic growth (Masvaure 2018). With state-business relations in flux, informal sector businesses have consolidated their support for the ruling elite to prevent radical urban policy changes. Meanwhile, the retail sector has been severely affected by the ramifications of the political situation and regulations, a number of major business being forced to close. Due to the above power configuration, the rest of the business sectors (magicians, powerbrokers, and rentiers) are aligned with the ruling ZANU-PF, since it is risky to align with city-level politicians.

### **3 Research design**

This study used a comprehensive and systematic mixed methods approach, with a purposive and small qualitative design sampling. We relied on the deals space framework (Pritchett and Werker 2012) to identify targets for key informant and focus group discussions. This framework enabled us to map 25 key informants from three clusters: the private sector, the state, and non-state actors. Additionally, we extensively reviewed relevant policy documents, policy research papers, advocacy materials, and related media coverage. A structured questionnaire was developed to guide our discussions. We conducted two focus group discussions: one with selected civil society groups coordinated by the Combined Harare Residents Association and city government actors and another with informal sector players coordinated by the Vendors Initiative for Social Transformation (VISET). These qualitative methods facilitated extensive debates and discussions with key stakeholders, allowing us to deeply probe the major challenges and constraints to structural transformation and identify relevant solutions and initiatives that could drive change in Harare. Consequently, the research outcomes and recommendations were derived from rich insights and accurately reflect the views of key stakeholders within Harare.

The quantitative part of the study relied on data from Zimbabwe's Population and Housing Census (PHC) for 2002 and 2012, election data from the Zimbabwe Electoral Commission (ZEC), and firm-level data from the World Bank Enterprise Survey for 2011 and 2016 (World Bank 2012, 2017). The data were restricted to the City of Harare, Chitungwiza, and Epworth (Greater Harare). PHC data were disaggregated at the ward level, the smallest geographical division in Zimbabwe. The City of Harare and surrounding areas are divided into 75 wards, and the census and election data were restricted to these 75 wards over the two census periods. The firm-level data from the enterprise survey were also restricted to the City of Harare but lacked disaggregation at the ward level. The population and housing census dataset includes various information on economic activity derived from occupation and work status questions, disaggregated by sector.

The variables used include the numbers of formal and informal workers employed in the agriculture, agro-industry, manufacturing, and services sectors, encompassing paid, unpaid, and own-account workers. These variables are crucial for explaining the patterns of structural transformation by revealing employment reallocations across sectors and the spatial distribution of economic activity. Additionally, we used on population and population density variables. The dataset provides information on infrastructure and education, including the proportion of the population with access to electricity, tertiary education, and improved sanitation and water services. These variables were used to measure the availability of essential city systems.

To examine the spatial distribution of economic activity, patterns of structural transformation, and the drivers and constraints at the city level, the study used these variables to compute measures such as sectoral employment shares (employment distribution across sectors and wards) and employment and population growth rates over the two census years. To reveal regional or ward specialization within the City of Harare, we used employment location quotients for each industry and region (ward). The location quotient is the ratio between the regional employment share for the industry and the industry's national share of total employment. A location quotient greater than one indicates that the location is relatively specialized in the industry. In contrast, values below one indicate that the location has less industry employment than predicted based on its aggregate employment share. Several studies in the literature have relied on employment shares derived from census data of various countries to analyse structural transformation. For instance, Duernecker and Herrendorf (2022) used the share of sector employment in total employment to analyse patterns of structural transformation. This study uses shares and growth rates of informal and formal employment across sectors as proxies for structural transformation. The spatial distribution of economic activity and patterns of structural transformation at the city level were analysed using GIS methods and Greater Harare maps. To examine the drivers of and constraints on city-level structural transformation, we analysed the correlation between shares of formal employment across sectors and indicators capturing access to infrastructure and political competition at the ward level. We used a simple measure to compute margins of victory, generating the share of votes for each contesting party and calculating the difference between the winning party and the second-largest party for each ward, in line with the approach of Gottlieb and Kosec (2018). We also drew from the World Bank Enterprise Survey for Harare indicators.



## **4 Scale and scope of structural transformation in Harare**

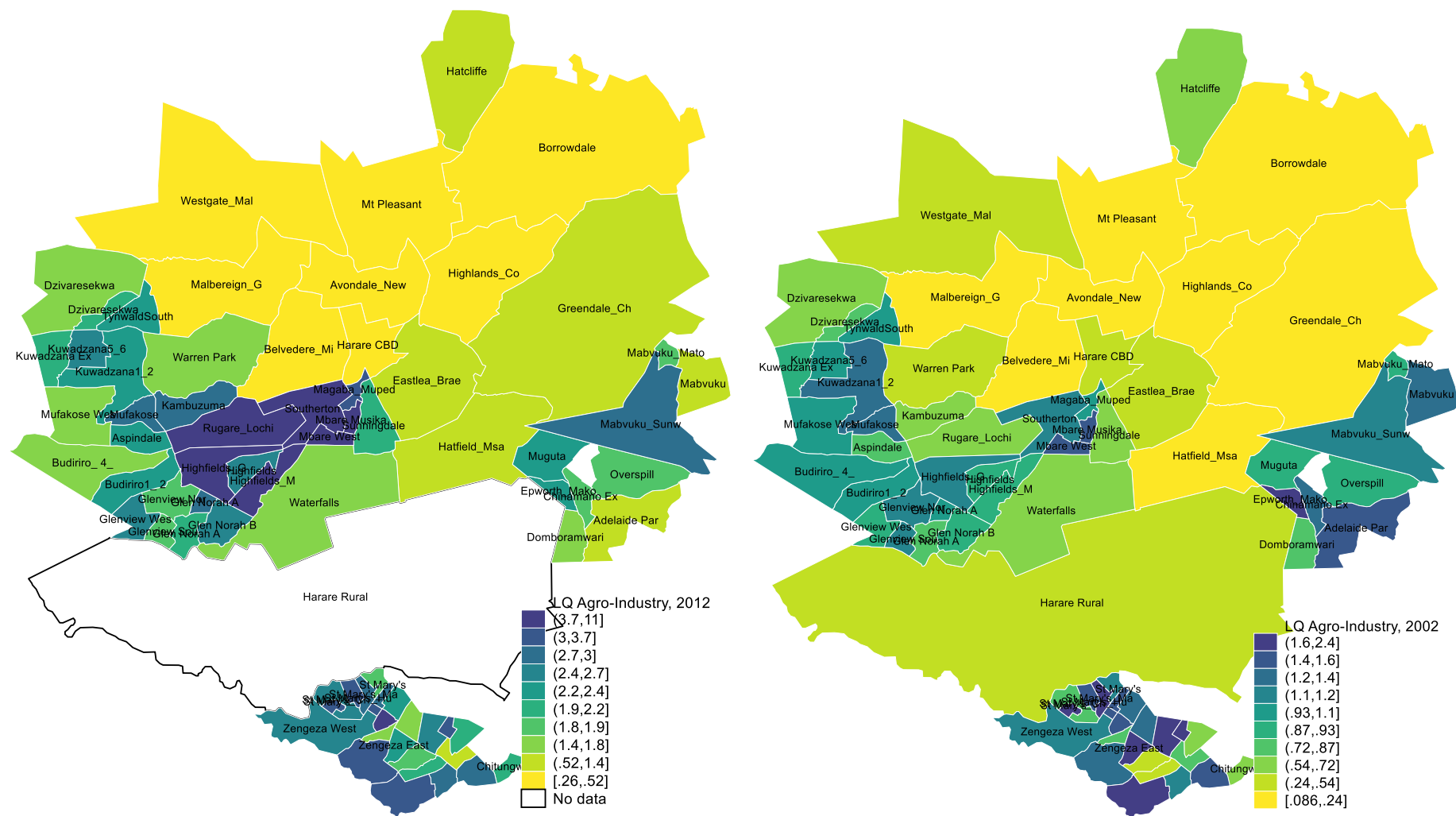
### **4.1 Spatial distribution of economic activity in the Greater Harare region**

In this section we present results of our analysis in which we detail the location of economic activity for different sectors and wards in the Greater Harare region. Describing the spatial distribution of economic activity in the City of Harare is important in shaping policy strategies for the country's overall structural transformation and economic growth. The City of Harare has accounted for at least 34 per cent of the national Gross Domestic Product (GDP) since 2015 (Pindiriri 2021), highlighting the importance of analysing economic activity in the city, which has a bearing on national economic development. The simplest measure of geographic concentration of economic activity is the location quotient (LQ). In this paper, we use employment to calculate the LQ, although, in principle, we could use sales, number of establishments, or any other measure comparable across industries and regions. Figures 1 to 3 display employment LQs for major sectors of the economy by census divisions of Zimbabwe. The degree of geographic concentration exhibited by certain sectors is striking.

First, we consider the agro-industrial sector. This comprises firms processing agricultural and farming products such as maize milling. The shares of employment in agro-industrial sectors in the southwest and eastern areas of the Greater Harare region are higher than in other areas in Greater Harare. These areas had LQs ranging from 1.1 to 2.4 in 2002 and from 1.4 to 11 in 2012. These regions comprise high-density areas of the City of Harare, where most industries are located. In contrast, northern areas have an agro-industrial share of employment that is lower than the Greater Harare regional share, with a mean agro-industrial LQ of 0.60 in 2002 and 0.46 in 2012. The spatial distribution of manufacturing employment reveals the historical locations of industrial zones. Industrial areas were initially located in Harare's southern, southwestern, and southeastern areas. However, there are emerging industrial areas in other city areas. Traditional industrial areas have a higher share of employment in manufacturing, with an LQ of 1.22 in 2002 and 1.24 in 2012. Agro-industrial and manufacturing are sectors with substantial possibilities for trade across regions, as most physical goods can be shipped relatively quickly. This explains the geographical concentration of the sector in certain areas.

Non-tradable sectors such as services tend to be distributed widely across regions, as the production of the services has to be nearer to the customers. Non-tradable services typically include government services, education, health care, construction, and retail. A growing range of financial, business and technical services are becoming increasingly tradable, but a large percentage remain local. Services such as marketing or public relations can reach many regions, while lawyers have a narrower reach, and cleaning services are locally provided and non-tradable. Figure 3 shows that shares in employment in the services sector is widely distributed across the 75 wards in the Greater Harare region, with a mean LQ of 0.98 in both 2002 and 2012. This implies that there is little regional specialization in the services sector. What is noticeable from Figure 3 is that Harare's Central Business District (CBD) and northern areas have an LQ above one, suggesting higher shares of employment in services compared with the Greater Harare region. Most finance, insurance, and business services are located in these areas.

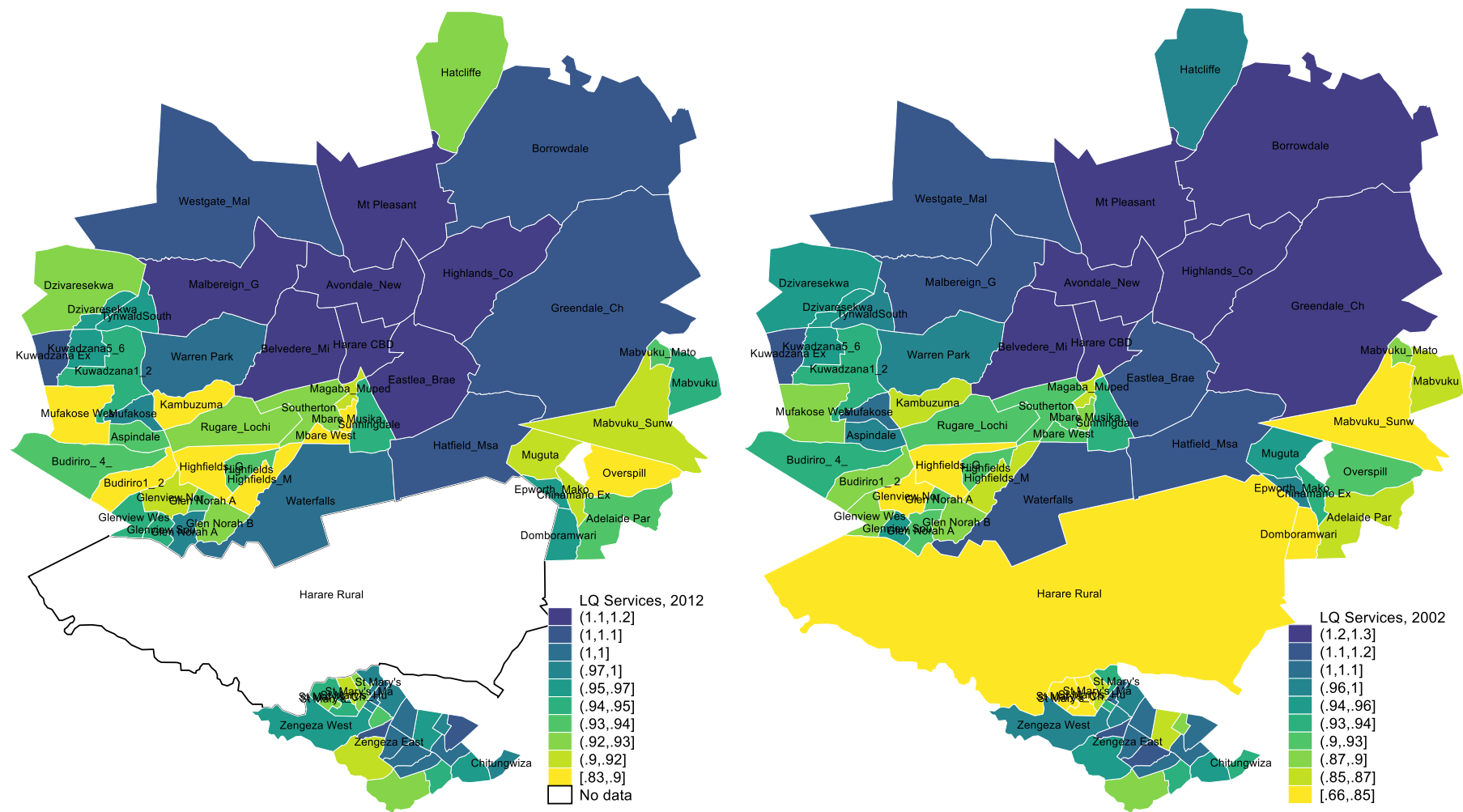
**Figure 1: Location quotient for agro-industry (2012 and 2002)**



Source: authors' construction from 2002 and 2012 Population and Housing Census (ZimStat 2002, 2012).



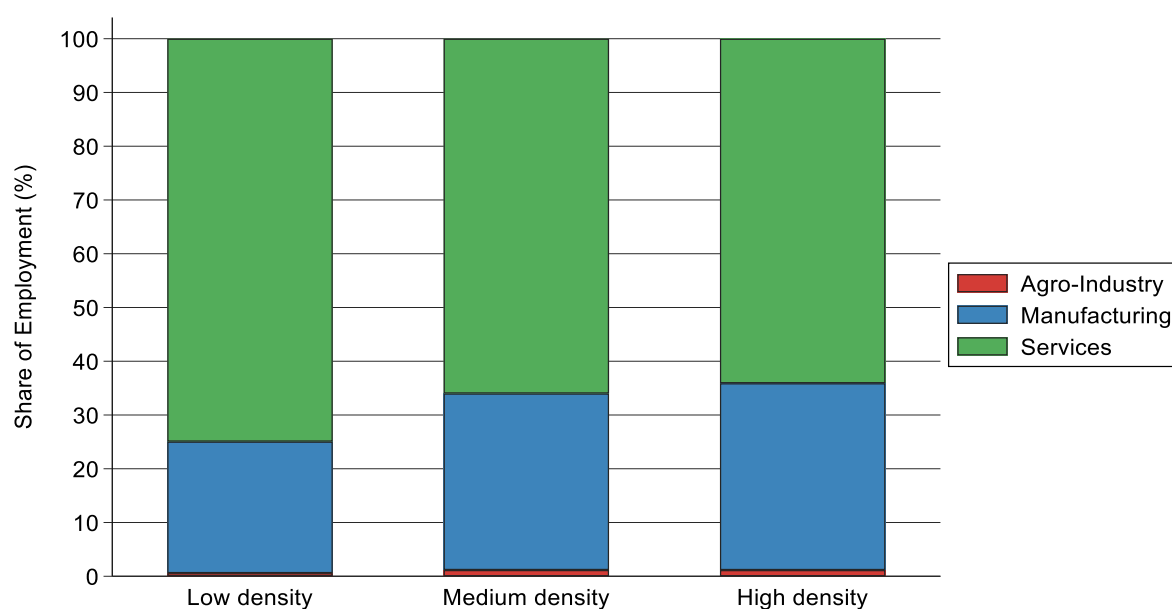
**Figure 3: Location quotient for services (2012 and 2002)**



Source: authors' construction from 2002 and 2012 Population and Housing Census (ZimStat 2002, 2012).

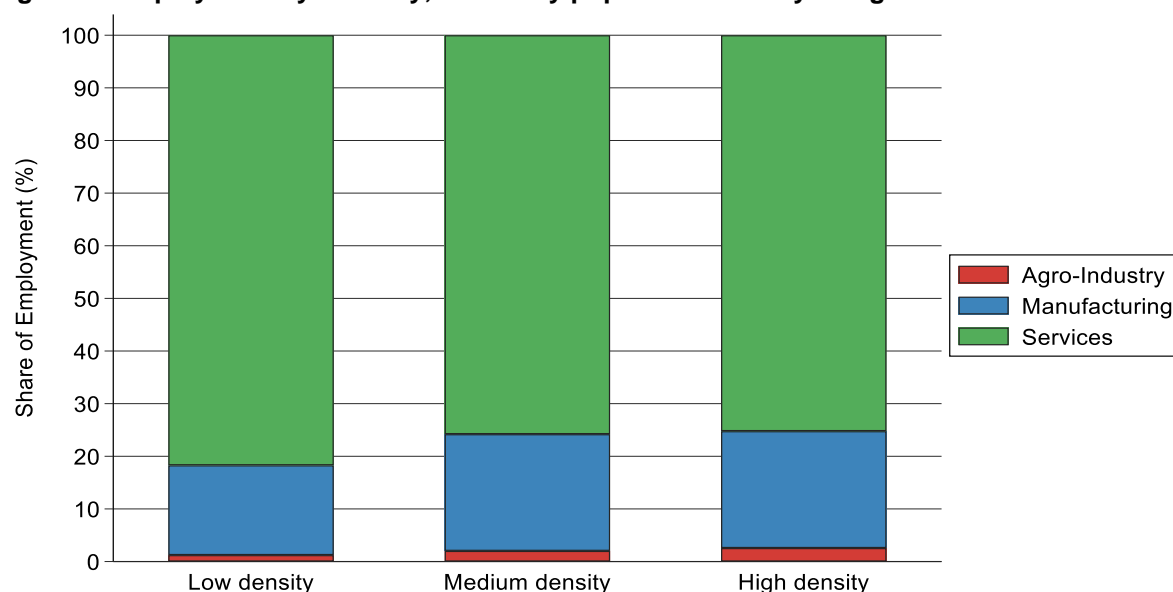
To further explain the spatial distribution of economic activity, wards were categorized into low-density, medium-density, and high-density wards depending on how they compare with the median population density of all wards. Figures 4 and 5 show that employment in the services sector dominates in all wards. In high-density wards, employment in manufacturing in both 2002 and 2012 was higher than in low-density wards, although there was a decline in manufacturing employment in all the wards during 2002 and 2012. In low-density wards, 75 per cent of employment was in the services sector, 24 per cent in manufacturing, and 1 per cent in the agro-industrial sector in 2002. In high-density wards, 64 per cent of employment was in services, 35 per cent in manufacturing, and 1 per cent in agro-industry in 2002. In 2012, there was a decline in employment shares in manufacturing and an increase in the services sector. In 2012, the share of employment in the services sector in low-density wards increased to 82 per cent, whereas the share in manufacturing decreased to 17 per cent. In high-density wards, where most industries are located, the share of employment in manufacturing decreased to 22 per cent, and the share of employment in the services sector increased to 75 per cent.

**Figure 4: Employment by industry, shares by population density categories in 2002**



Source: authors' construction based on employment data from World Bank (2012).

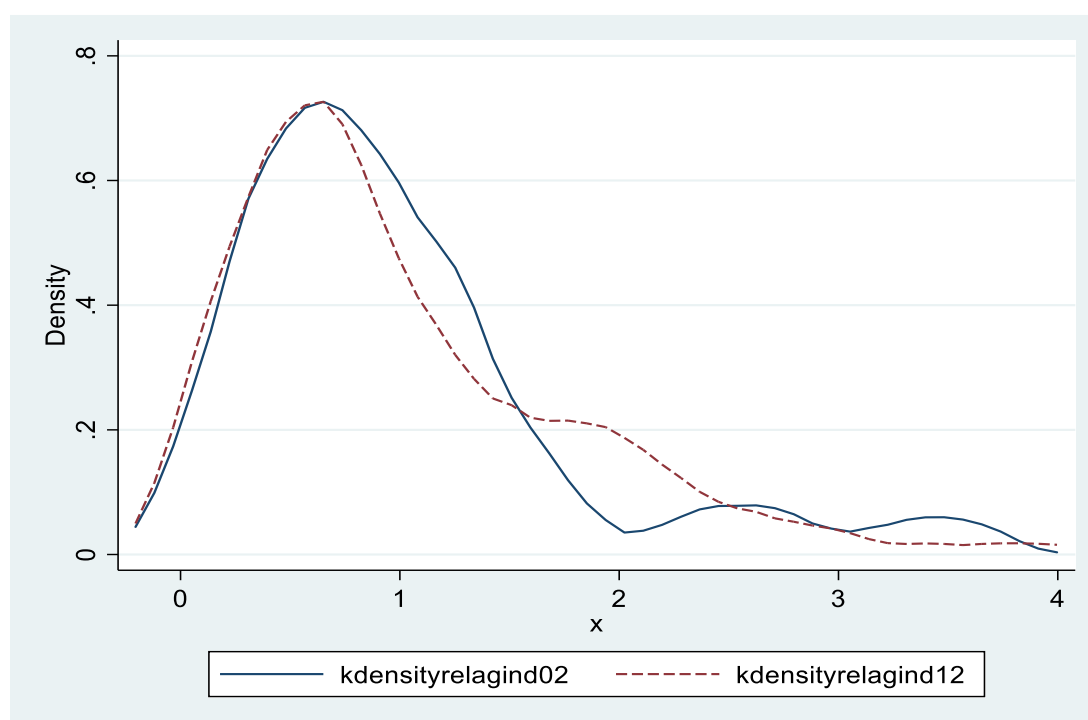
**Figure 5: Employment by industry, shares by population density categories in 2012**



Source: authors' construction based on employment data from World Bank (2012).

To further explore the evolution of employment across wards and sectors in the Greater Harare region, Figures 6 to 8 present simple kernel density estimates of employment across wards by sector in 2002 and 2012. Employment in each ward is normalized by the mean employment rate of all 75 wards. Values above one denote wards with above-average employment levels. Note that not all wards are of equal population size. The distribution is, therefore, affected by population size in both cases. The figures show a high proportion of wards with below-average employment levels, few wards having above-average employment levels. In 2012, 47 of the 75 wards had employment levels in the agro-industrial sector that were below average, 44 wards had employment levels in manufacturing that were below average, and 47 wards had employment levels in the services sector that were below average. The distribution of ward-level employment does not appear to have evolved much from 2002 to 2012. This is reflected in the stable kernel distributions for 2002 and 2012 shown in Figures 6–8.

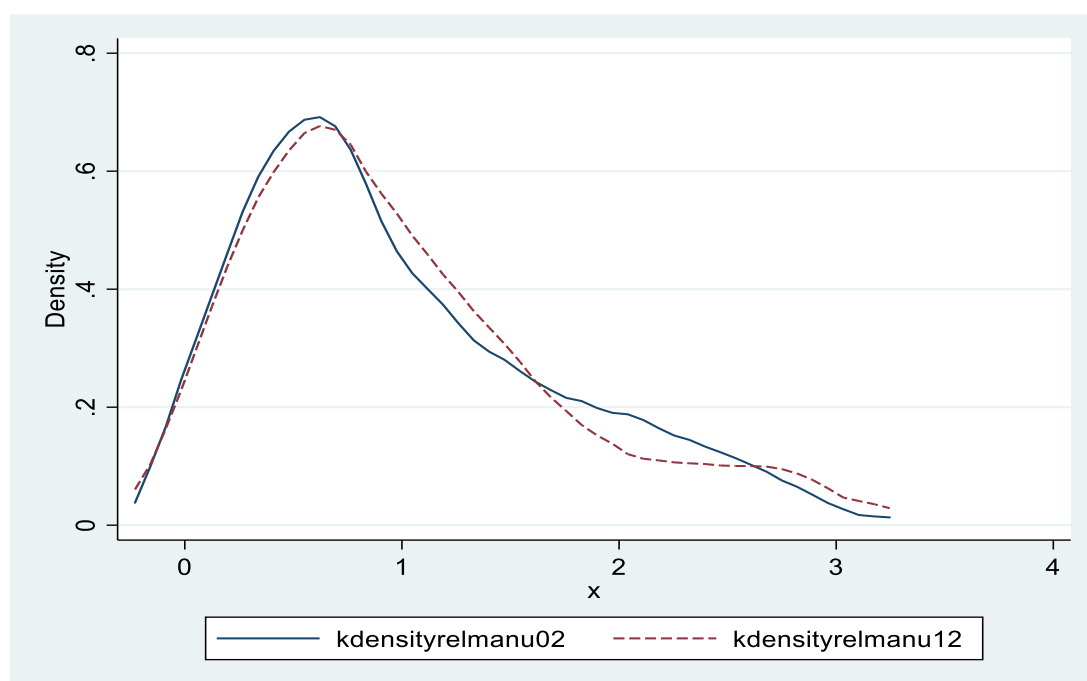
**Figure 6: Harare regional distribution of employment in agro-industry, 2002 and 2012**



Note: relagind02 and relagind12 refer to employment in agro-industry in 2002 and 2012 relative to across-region mean employment in agro-industry.

Source: authors' construction based on employment data from World Bank (2012).

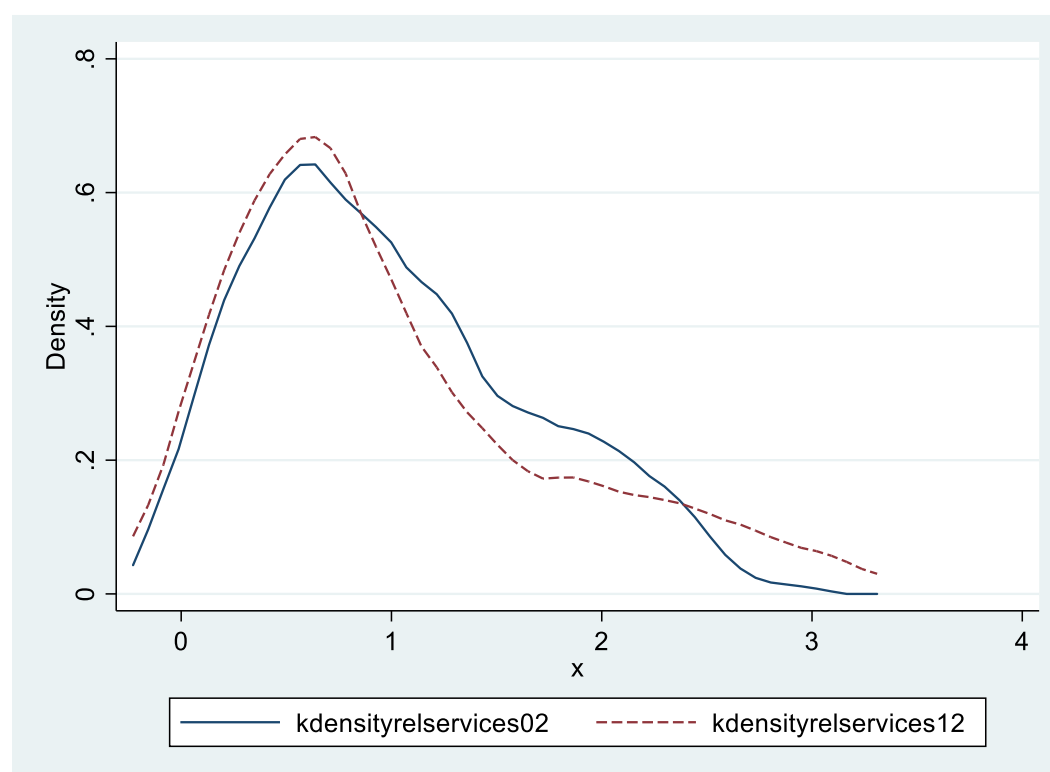
**Figure 7: Harare regional distribution of employment in manufacturing, 2002 and 2012**



Note: relmanu02 and relmanu12 refer to employment in manufacturing in 2002 and 2012 relative to across-region mean employment in manufacturing.

Source: authors' construction based on employment data from World Bank (2012).

**Figure 8: Harare regional distribution of employment in services, 2002 and 2012**



Note: relservices02 and relservices12 refer to employment in services in 2002 and 2012 relative to across-region mean employment in services.

Source: authors' construction based on employment data from World Bank (2012).

## 4.2 Patterns of structural transformation at the city level

In this section we describe the patterns of structural transformation using data from the PHC for 2002 and 2012. Table 1 presents growth rates in population and employment by various sectors for all the wards in the Greater Harare region.

**Table 1: Patterns of growth in population and employment in Greater Harare region**

Growth in population and employment by sector	Growth (%)	Shares in emp. (growth (%))	Female employment (growth (%))
Population	16.51		
Population density	8.67		
<i>Formal</i>			
Agro-industry	99.70	116.63	177.44
Manufacturing	-35.18	-31.32	-46.37
Services	6.27	14.69	17.99
<i>Informal</i>			
Agro-industry	198.29	129.38	98.06
Manufacturing	7.19	-26.52	-47.85
Services	67.34	14.11	62.47

Source: authors' construction based on data from ZimStat (2002, 2012).

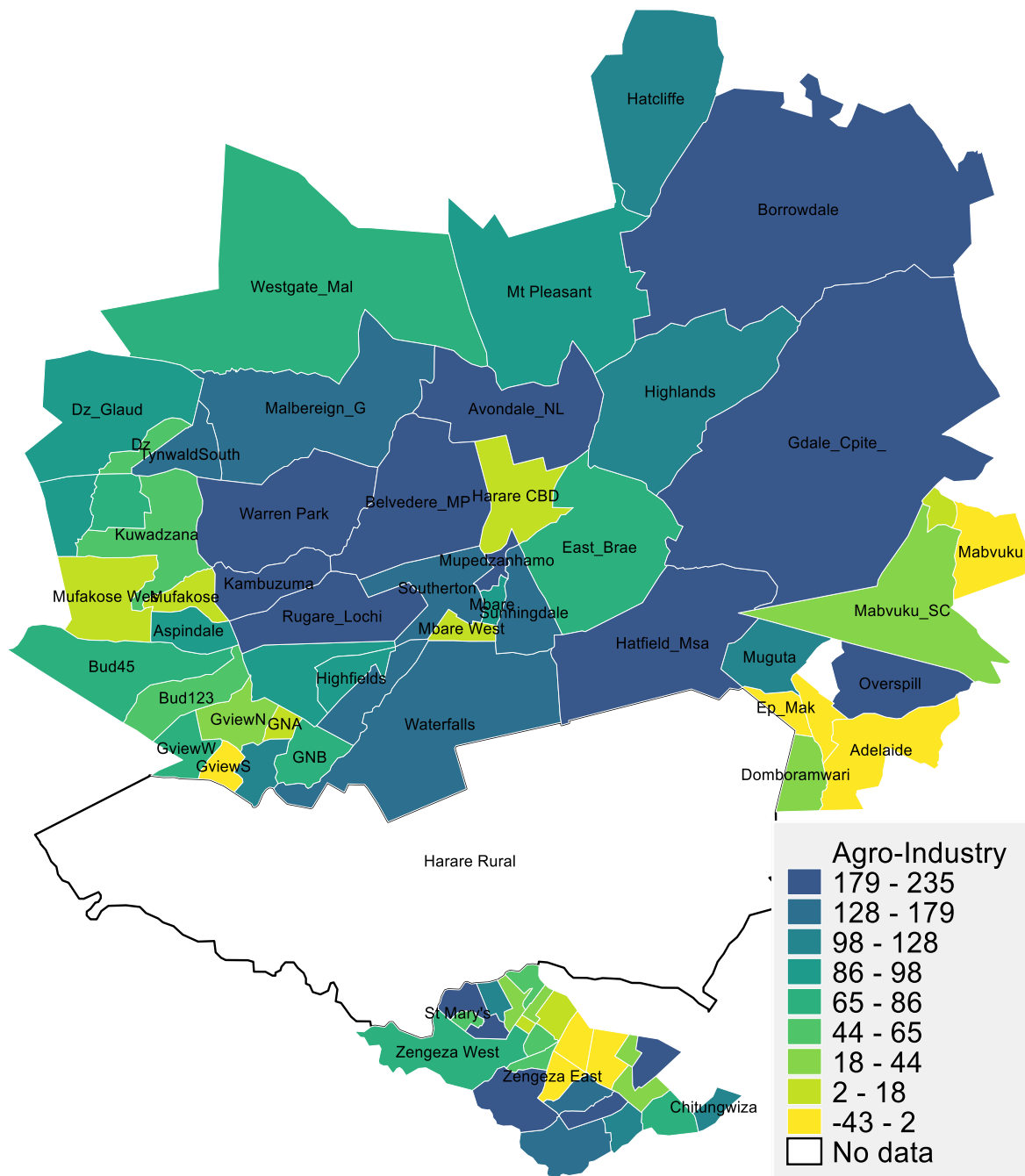


The results in Table 1 show that the population increased by 16.5 per cent between 2002 and 2012 in all Greater Harare wards, whereas the population density increased by 8.7 per cent. Formal employment in the agro-industrial and services sectors increased by 99.7 and 6.3 per cent, respectively. In contrast, employment in the manufacturing sector declined by 35.2 per cent, although there is a small quantity of heterogeneity, as we will see when we disaggregate by ward. However, employment in the informal sectors of all wards increased. Informal employment in the agro-industry and services sector increased by 198.3 and 67.3 per cent, respectively, whereas informal employment in manufacturing increased by 7.2 per cent. Growth in shares of employment and female employment follows similar patterns as growth in overall employment, as shown in columns (2) and (3). However, female employment increased by 177.44 per cent in agro-industry and declined by 46.4 per cent in manufacturing. These results indicate that employment grew in low-productivity informal sectors of the economy, as well as in the formal services sector (slightly), while employment in formal manufacturing and services declined. This suggests that the Greater Harare region did not perform well in economic transformation, as most people were employed in low-productivity sectors such as the informal sector. The results also imply an inefficient allocation of resources, as labour did not move to productive uses.

To further assess the evolution of employment and identify which wards experienced structural transformation, Figures 9–11 show percentage changes in formal employment between 2002 and 2012 across wards in the Greater Harare region. Most wards (68) experienced increased employment in agro-industry, as shown in Figure 9. Wards such as Borrowdale, Greendale Chisipite, Hatfield Msasa, Mbare Musika, Magaba Mupedzanhamo, Rugare and Kambuzuma, and Avondale Newlands (in darker colours) experienced a more than 100 per cent growth in formal agro-industry employment (see Table A1 in the Appendix). Traditional industrial areas experienced an increase in formal agro-industrial employment of less than 100 per cent, and some experienced a decline.

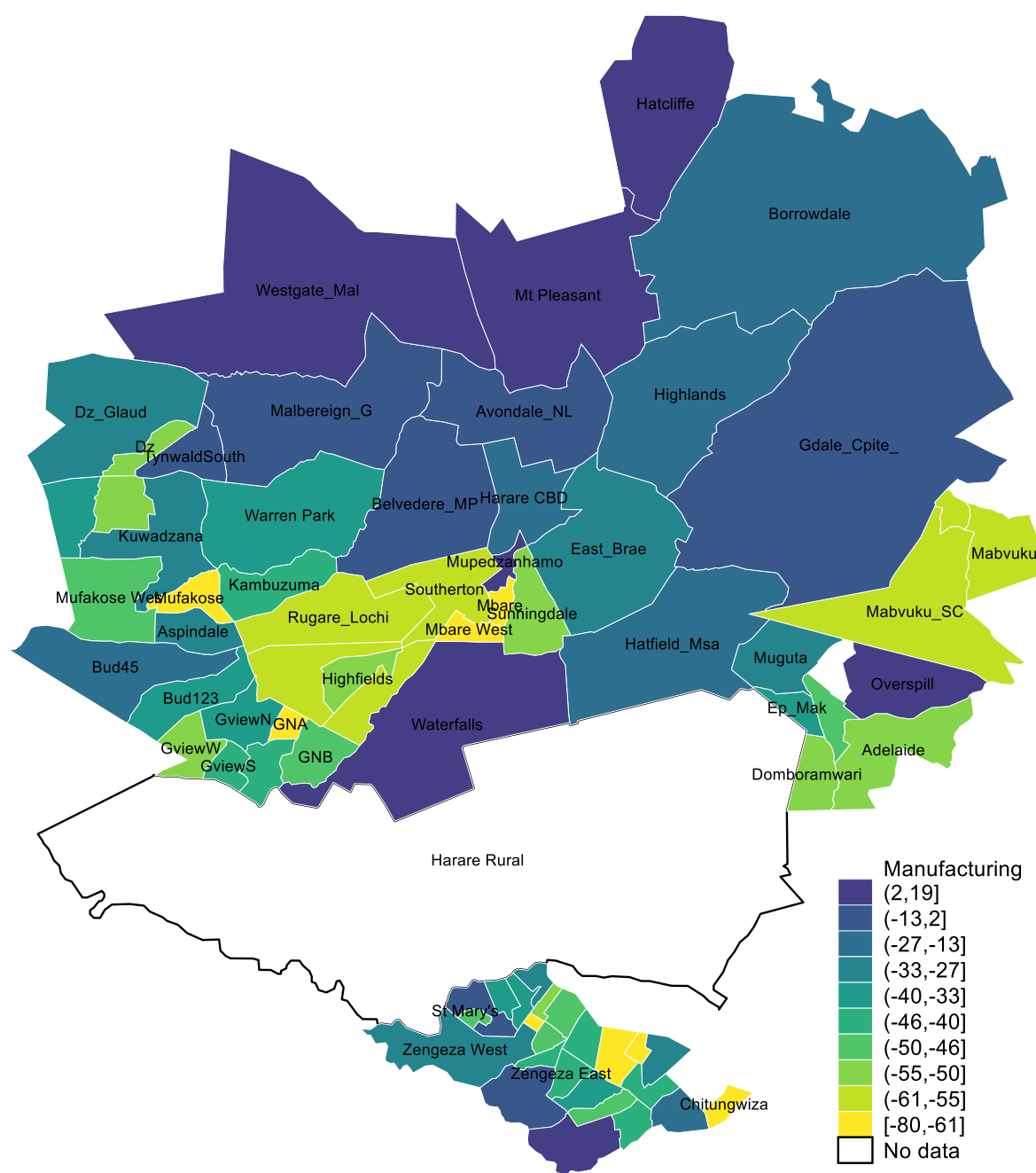
Formal employment in manufacturing experienced a decline over the 2002–12 period, as shown in Figure 10, where most wards (64) experienced a decline in employment in manufacturing. It can be seen that there was a decline in manufacturing employment in those wards that are within areas where industries are located. For example, wards located in the Graniteside industrial area, such as Sunningdale, and in the Workington and Willowvale industrial areas, like Southerton, Highfields, Rugare, Lochinvar, Kambuzuma, and Mufakose, experienced a decline in formal manufacturing employment. However, some wards experienced slight gains in formal manufacturing employment. These include wards in some emerging industrial areas, such as the Westgate-Mabelreign area, where the Bluffhill Industrial Park is located. Mt Pleasant and the Waterfalls area have also seen increased manufacturing employment. These results support earlier findings in the literature that have shown that the capacity of the manufacturing sector to create employment in the country was reduced by a series of economic shocks and policy uncertainty. Firm entry into formal manufacturing became less attractive because of macroeconomic shocks and policies such as indigenization laws and government controls. In addition, existing firms contracted and operated with low-capacity utilization.

**Figure 9: Spatial distribution of growth in formal agro-industry employment, 2002–12**



Source: authors' construction based on employment data from World Bank (2012).

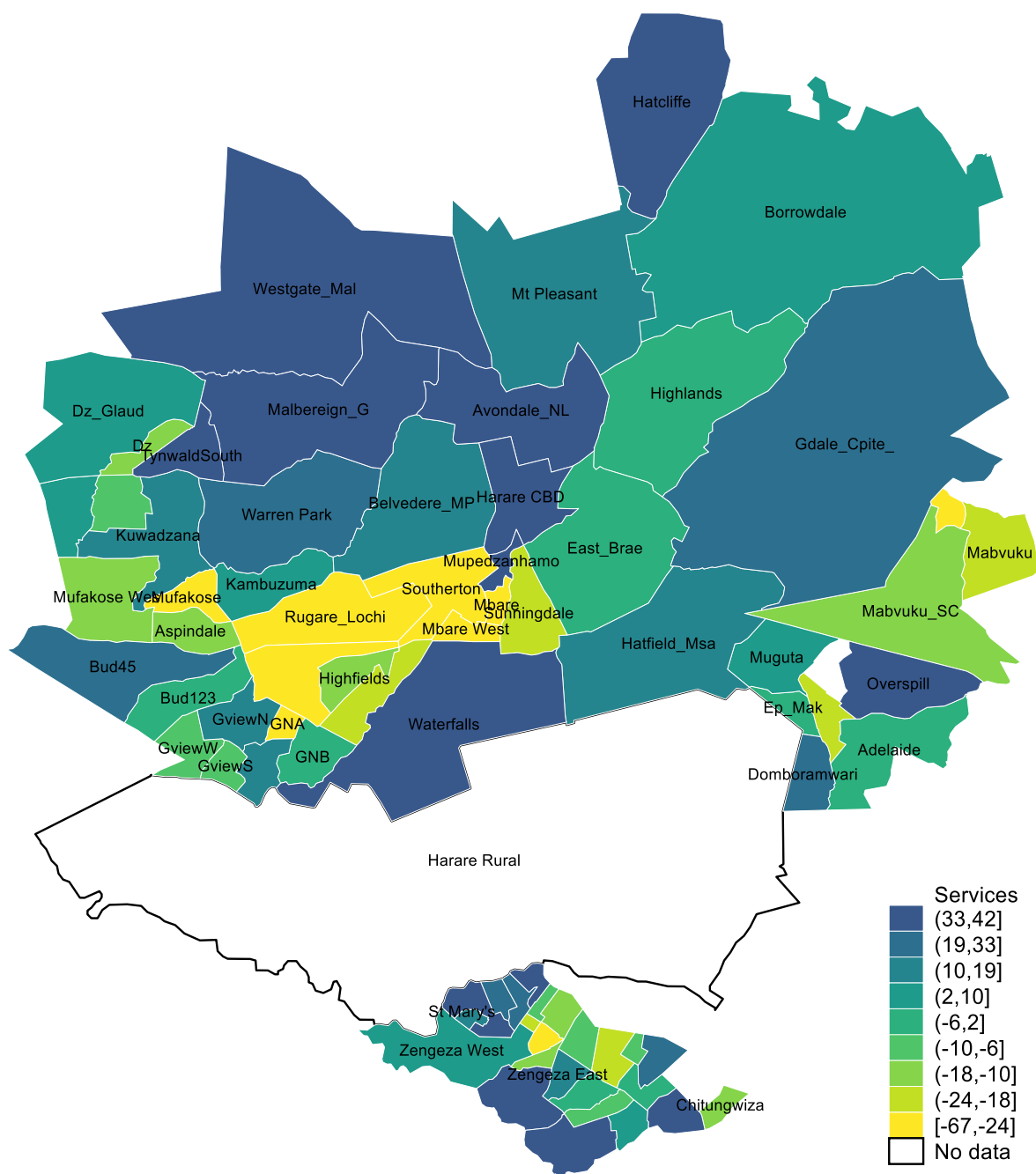
**Figure 10: Spatial distribution of growth in formal manufacturing employment, 2002–12**



Source: authors' construction based on employment data from World Bank (2012).

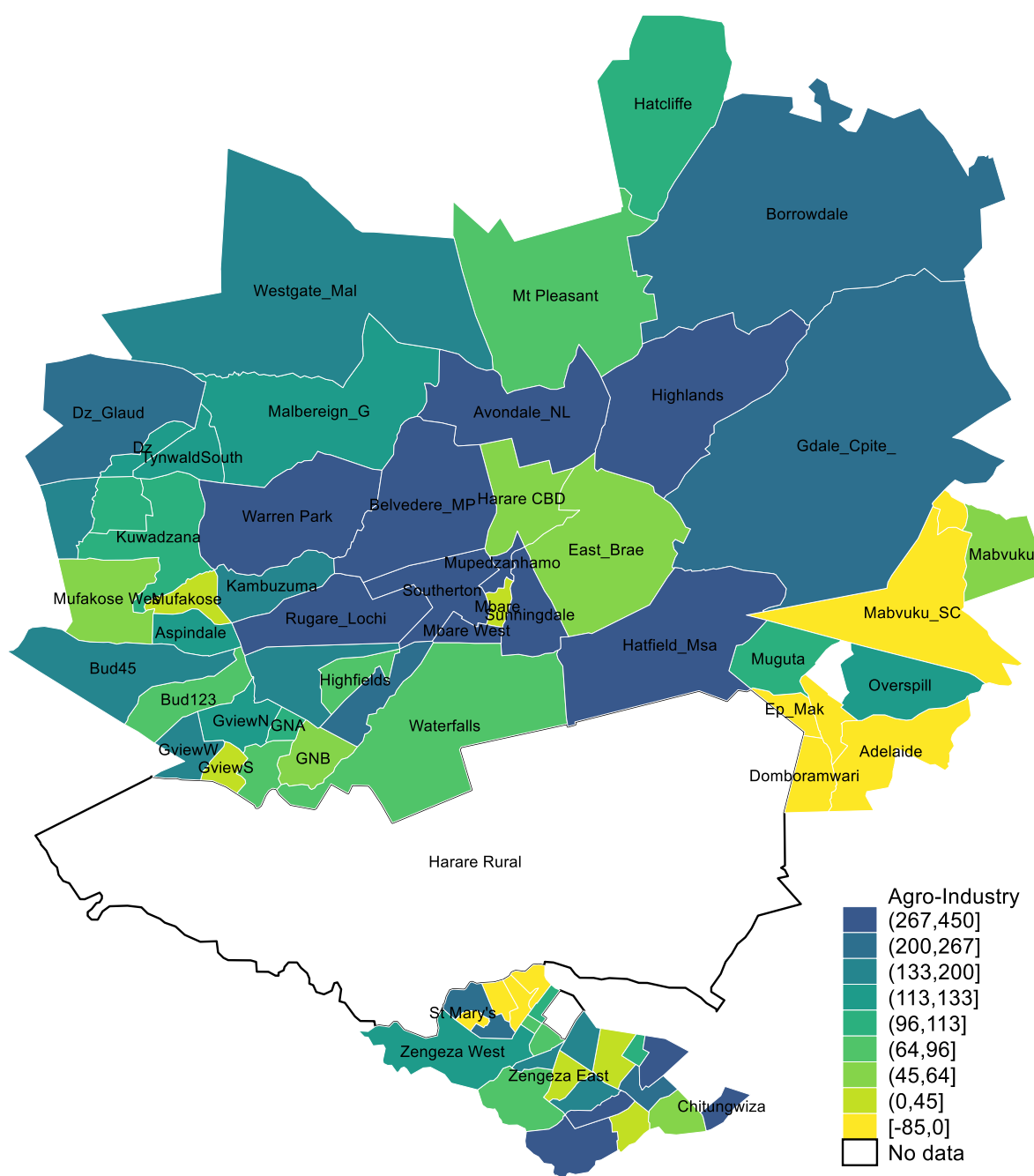
Regarding formal employment in the services sector, 34 wards in the Greater Harare region experienced a decline. These wards are mainly located on the northern side of the City of Harare and in the CBD. Most service industries are located in these wards, with finance and business services in the CBD and other residential areas in Harare's north and west. Although the majority of the wards saw an increase in formal employment in services (Figure 11), the growth of formal employment in services was low compared with the growth in informal employment in services. Informality increased in most of the wards in the Greater Harare region, as shown in Figures 12–14.

**Figure 11: Spatial distribution of growth in formal employment in services sector, 2002–12**



Source: authors' construction based on employment data from World Bank (2012).

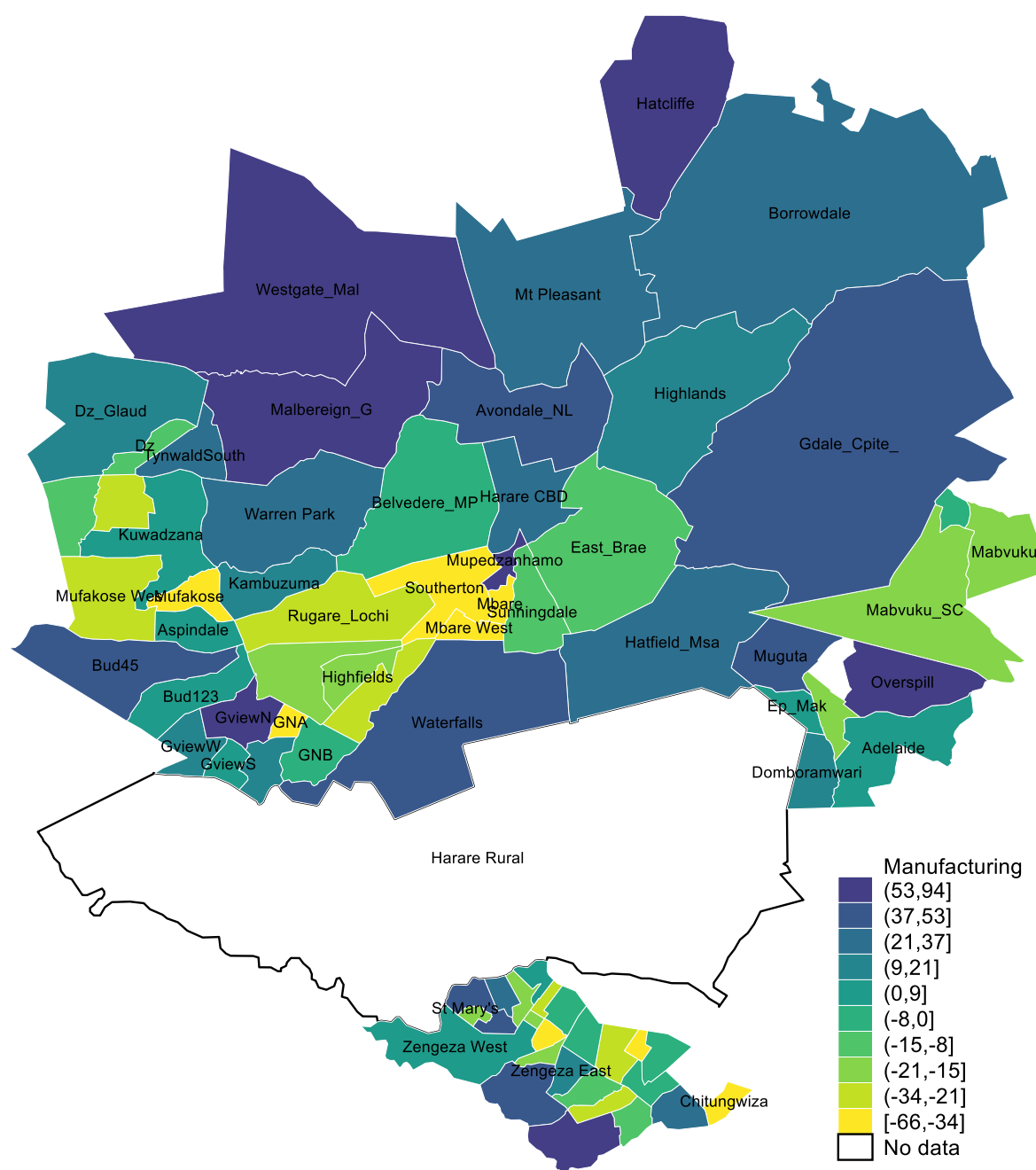
**Figure 12: Spatial distribution of growth in informal employment in agro-industry, 2002–12**



Source: authors' construction based on employment data from World Bank (2012).

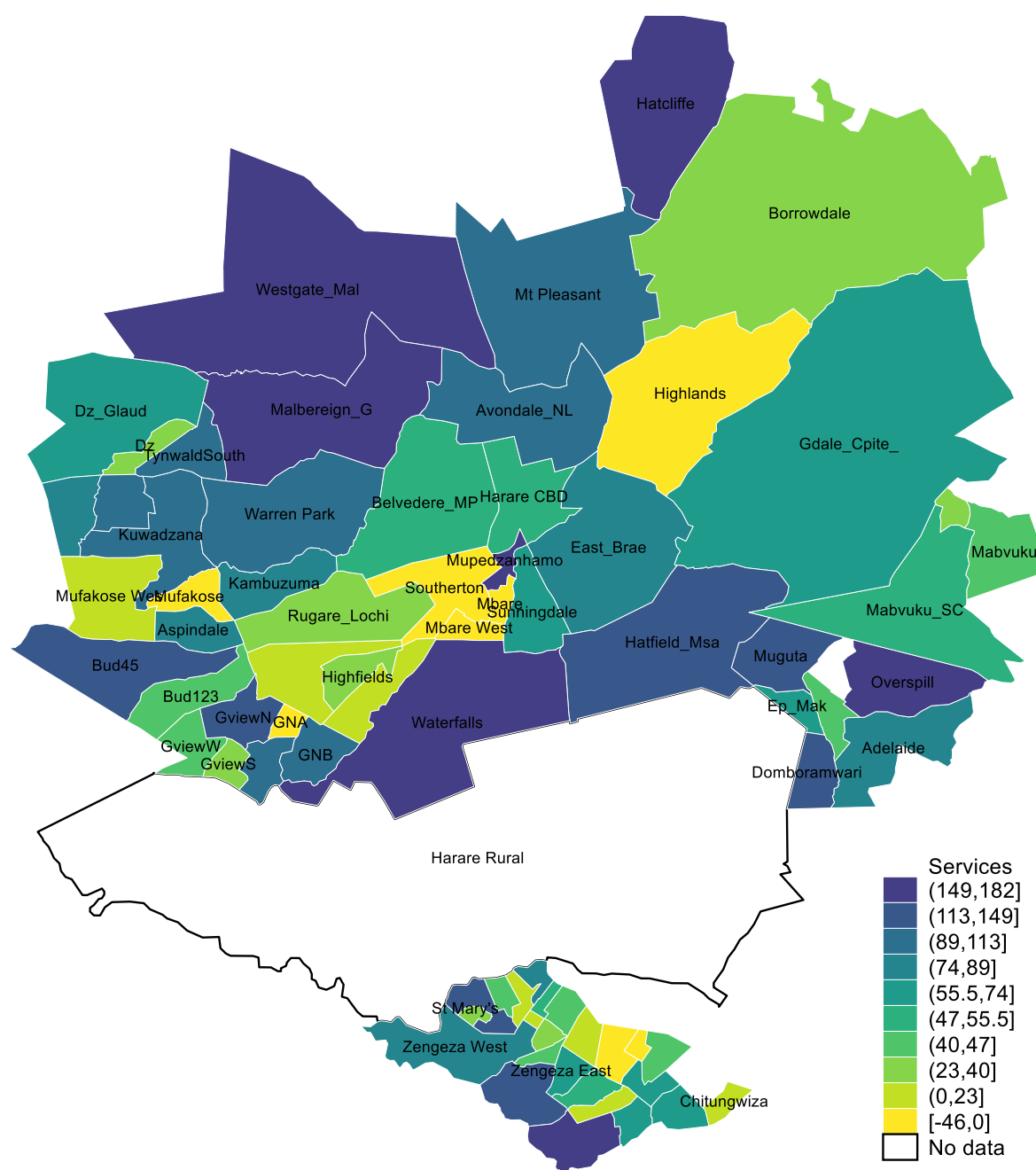
Figure 12 shows that informal employment in agro-industry increased in most of the wards in the Greater Harare region, only seven wards experiencing a decline (see Table A1 in the Appendix). Regarding informal manufacturing employment, Figure 13 shows that 37 of the 75 wards experienced a decline. Similarly, informal employment in the services sector increased, and most wards (71) experienced an increase (Figure 14 and Table A1 in the Appendix).

**Figure 13: Spatial distribution of growth in informal employment in manufacturing, 2002–12**



Source: authors' construction based on data from 2002 and 2012 Population Census (ZimStat 2002, 2012).

**Figure 14: Spatial distribution of growth in informal employment in services, 2002–12**



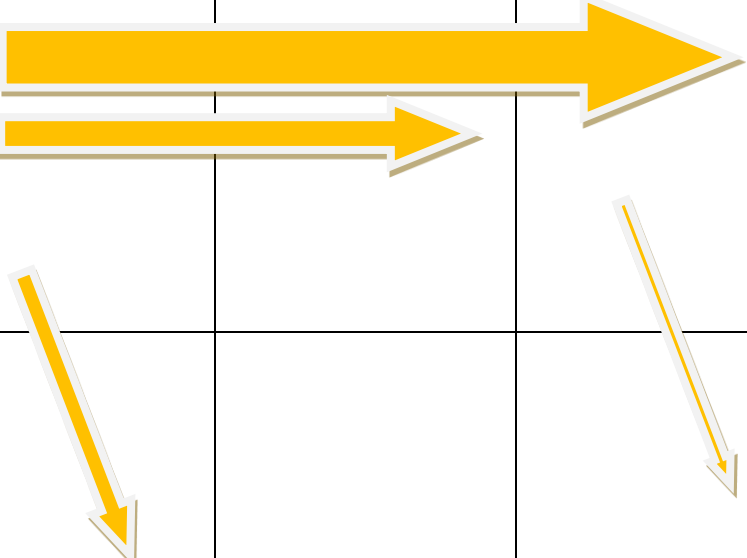
Source: authors' construction based on data from 2002 and 2012 Population Census (ZimStat 2002, 2012).

The spatial distribution of employment in formal vs. informal sectors reveals that some wards performed poorly, and others did well in structural transformation. Those wards that experienced high growth rates in informal employment saw a reverse in structural transformation. Informal employment is often characterized by low productivity, inadequate earnings, and lack of social security and other benefits such as paid leave, which affect the majority of workers in wards in the Greater Harare region. The high incidence of vulnerable employment in Zimbabwe will continue to undermine the prospects of reducing working poverty (World Bank 2022).

Table 2 shows the patterns of structural transformation that the country and the Greater Harare region experienced. The growth in the agro-industry (related to agriculture) was mainly driven by informal

work and a slight movement towards formal work. There was a drastic decline in manufacturing employment shares, with only a few informal manufacturing workers found in some wards in the city. There was no movement to formal employment in manufacturing. There was poor growth or movement into formal services employment (indicated by the thin arrow), whilst informal employment in services increased significantly (indicated by the thick arrow) across many wards. This highlights the lack of structural transformation in the city and indicates that it cannot act as a hub for inclusive and resilient growth and economic transformation. These patterns show that the Harare City region has a long way to go if it is to provide productive jobs. This presents several challenges for city authorities and development partners to consider as they seek to reinvigorate efforts for a new urban agenda that makes cities poles of inclusive growth and economic transformation.

**Table 2: Patterns of structural transformation**

	Agro-industry	Manufacturing	Services
Informal			
Formal			

Source: authors' construction.

## 5 How political factors shape structural transformation outcomes in Harare

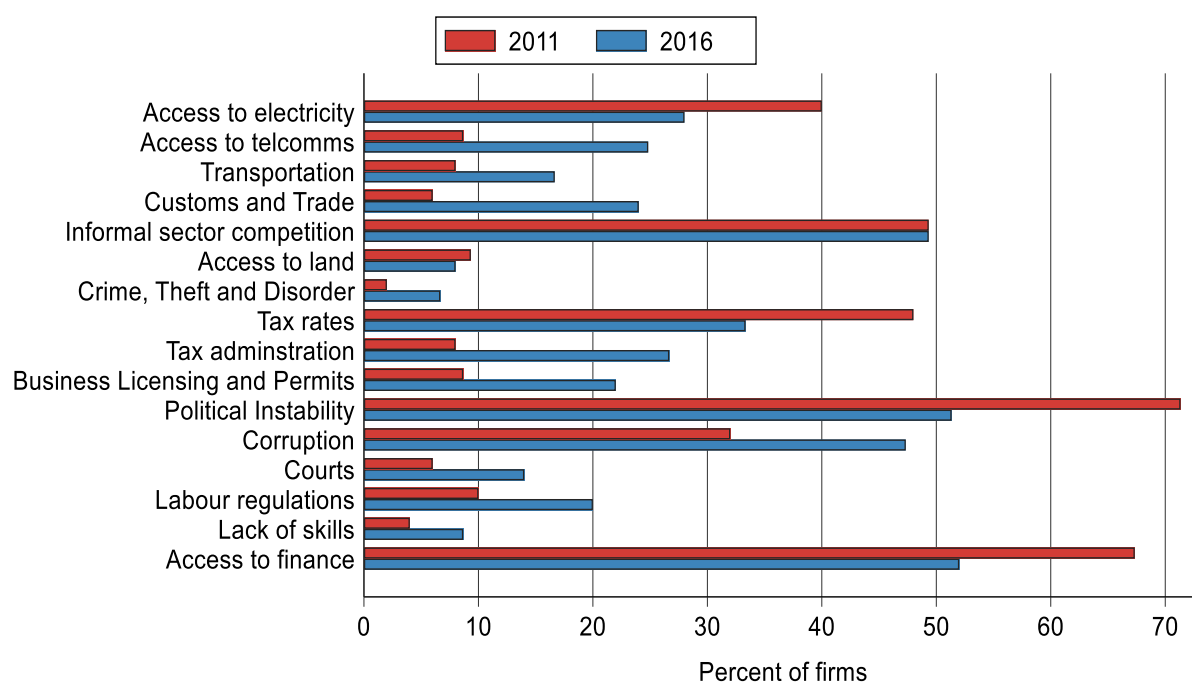
In this section we attempt to explain the structural transformation patterns above by linking them with the political dynamics in Harare. This foregrounds our political economy approach to understanding structural transformation. As we noted in our Introduction, more effective regulations and better-functioning institutions provide firms with innovative incentives that ultimately lead to growth (Acemoglu et al. 2005, 2008, 2012). Institutions include inclusive economic and political institutions (secure property rights, free markets with ease of entry, open institutions for citizen participation and rule of law, for example). However, as Sen (2015b) observes, the emergence of such institutions is politically determined and dependent on the nature of power relations. This view is buttressed by Khan (2004: 4), who argues that the effectiveness of these institutions is a function of power distribution (political settlement) among key groups in society.



## 5.1 Drivers of structural transformation in Greater Harare

First, we track the quality of the local business environment. The sharp differences in the distribution of employment by sectors in the Greater Harare region indicate large differences in the quality of the local business environment across wards and the national economic environment. To evaluate this further, we use firm-level survey data from the World Bank Enterprise surveys. Figure 15 shows the percentages of firms highlighting specific constraints to private sector growth in the City of Harare. The results reveal that political instability, access to finance, informal sector competition, access to electricity, and corruption, as well as tax rates, are the major constraints to firms' operations.

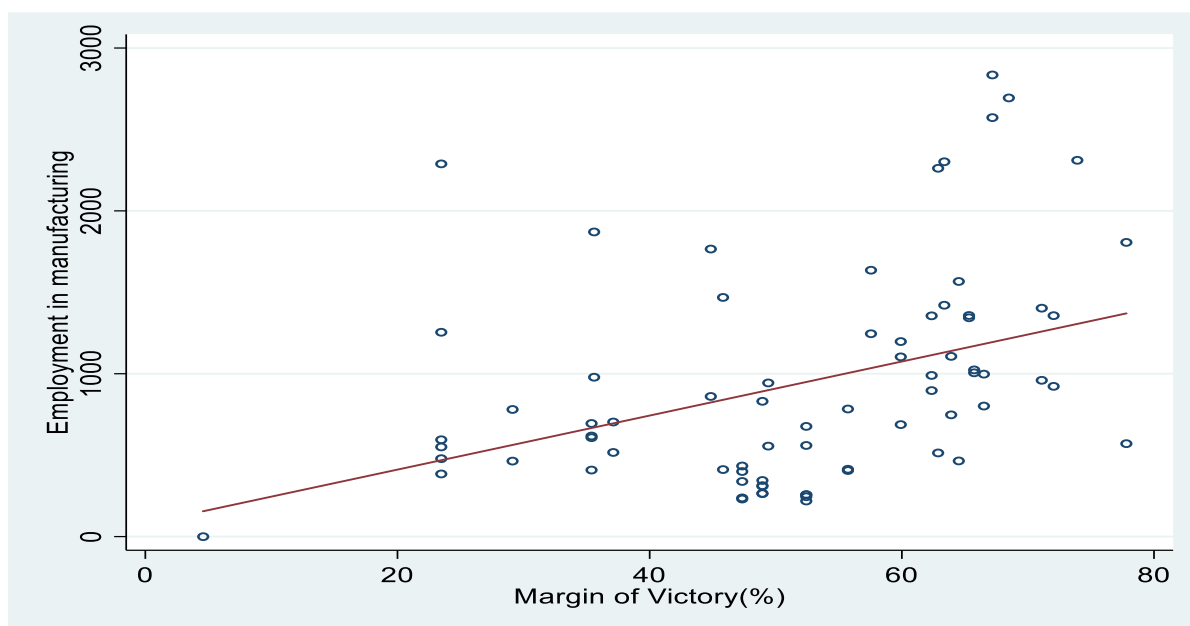
**Figure 15: Constraints to firm performance in the City of Harare**



Source: authors' calculations based on data from World Bank (2012, 2017).

Considering that the majority of firms surveyed in Harare mentioned political instability as a major constraint to firm performance, we used data from election returns to compute a measure of political competition. Figure 16 presents a scatter plot between employment in manufacturing and margin of victory between the two competing political parties in the 2008 election period. Results show that there is a positive correlation between political competition (proxied by the margin of victory) and employment in manufacturing. These results suggest that in those wards where the winning margin was very high for the MDC, employment in manufacturing was also high. However, the correlation is very low.

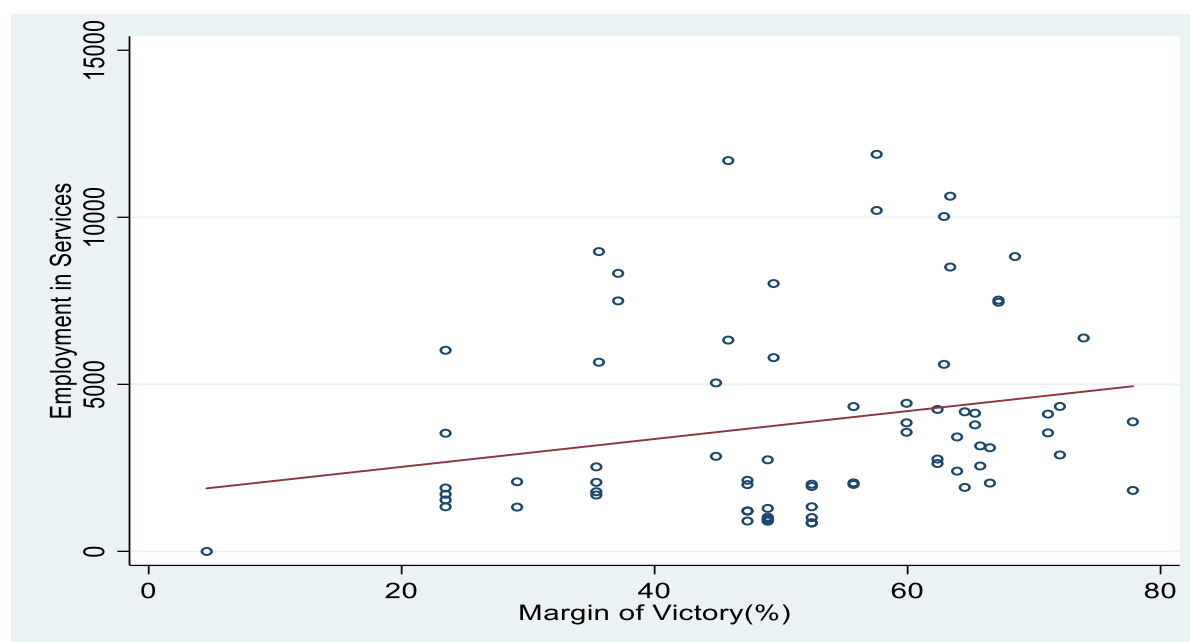
**Figure 16: Relationship between formal employment in manufacturing and political competition**



Source: authors' calculations using employment data from the Zimbabwe Election Commission (ZEC 2008; ZESCN 2008).

Figure 17 presents the corresponding scatter plot using employment in services, while Figure 18 presents the relationship between employment in agro-industry and margin of victory. As expected, given the results for employment in manufacturing, employment in services and agro-industry is also positively related to the margin of victory.

**Figure 17: Relationship between formal employment in services and political competition**



Source: authors' calculations using employment data from the Zimbabwe Election Commission (ZEC 2008; ZESCN 2008).

**Figure 18: Relationship between formal employment in agro-industry and political competition**



Source: authors' calculations using employment data from the Zimbabwe Election Commission (ZEC 2008; ZESCN 2008).

This implies that, as the margin of victory for the winning party (in this case, the MDC) increases, employment in all sectors increases. In wards where the winning margin for MDC was high, employment was also high. These results also imply that in wards with less political competition, employment is also high, suggesting a negative relationship between political competition and employment. This may be driven by the fact that, in contested wards, little is being done by the political authorities to improve infrastructure and institutions that are important for economic dynamism, as their efforts are directed only towards obtaining re-election. Evidence has shown that legislative bargaining is more difficult in weak party systems where bargaining partners are more volatile across elections and are less able to make credible commitments (Gottlieb and Kosec 2018).

## 5.2 Political settlement and vertically divided authority

The second issue we examine is political settlement and its impact on structural change. Effective structural transformation requires strong economic governance institutions (UNECA 2016). Understanding governance's role in this process helps identify both drivers of and barriers to change. While few studies have explored this link (Sen 2015a, 2024), Carraro and Karfakis (2018) found that higher institutional quality and economic freedom significantly boost structural transformation. In Africa, vertically divided authority is common (Resnick 2014). However, Harare operates within a unitary state where power-sharing between national and local governments remains unclear (Mapuva 2014). With the opposition gaining dominance in urban politics, ZANU-PF has become a predominantly rural party. In response, it has sought alternative ways to maintain control over urban areas, which restates the challenge of vertically divided authority. Although the national constitution envisions the devolution of government powers to lower tiers, including provinces and local cities, this has yet to be codified in acts of parliament. As a result, the Ministry of Local Government retains extensive control over local authorities in Harare. We therefore argue that the central government's control over national policy influences Harare's governance dynamics. They can also determine and

distribute land rents, access to contracts, and business and vending space within the city. Several groups of members also have access to and enjoy the patronage of ZANU-PF. They include war veterans, retired military personnel, informal sector workers, youth groups, and land barons.

This scenario arises from the narrowly concentrated political settlement in which political and economic power is concentrated in the hands of the ruling ZANU-PF (Pritchett et al. 2017), and it both determines and shapes the types, roles, and power of players active within city politico-economy dynamics. The dominant political actors, the ZANU-PF elite, are thus at the top of the superstructure and both determine entry and influence economic policy and the distribution of resources. They are also clientelist and extractive, which explains the current economic challenges facing the City of Harare. The ruling party in Zimbabwe has significant economic interests and owns several holding companies. Its interests date back to the post-1980 period, when it made significant investments through these holding companies. Dawson and Kelsall (2011) have identified the holding companies and their vast economic interests. In a chapter on economic rents in Zimbabwe, they identify ZANU-PF, the military, the Joint Operations Command, state-owned enterprises, ruling party-owned companies, and capitalists (business people linked to ZANU-PF) as key actors in the economy of Zimbabwe (Harare). As a result, ZANU-PF and its associated institutions are a key feature of virtually every economic activity in the City of Harare, connected through complicated relationships/alliances, as highlighted by Dawson and Kelsall (2011). These alliances and networks have consolidated and shifted since the November 2017 military intervention (coup), placing the military as a significant block in policy direction.

Land is a crucial determinant and input in the economy of Harare. However, the management of and access to urban land in the city are unclear due to the intersections between state and urban land (McGregor and Chatiza 2020). The state has frequently taken over city land through proclamations, determining who can occupy it and, consequently, who can conduct economic activities. For example, the thriving informal markets such as Mbare Siyaso, Musika, and Glen View are controlled through ruling party structures (McGregor 2013). This interference and control of the informal sector through both formal and informal means have seriously destabilized urban management. The result is inefficient land markets, which encourage speculative investments in the real estate developments that are mushrooming across the city.

Most actors in these informal markets do not pay rent or electricity, creating a parasitic relationship with the city. In an interview, Jacob Mafume, the Mayor of Harare, noted that the entire Siyaso informal market is illegally connected to city power lines, traders thereby avoiding electricity bills. Research shows that the ruling party is connected to informal sector workers, with benefits from these activities trickling into the party's provincial structures in Harare (Muchadenyika 2018; Oosterom and Gukurume 2022). Although the relationship is informal, rental collections from these spaces are not paid to the city but are allegedly filtered into party structures. As a result, most of the informal sector enterprises remain small and unproductive. Discussions with Harare's finance department revealed several leakages, as the city cannot collect rates in informal spaces, particularly in the thriving business district of Mbare. Consequently, there is an uneasy coexistence of informal and formal rules. Legal gaps allow the central government to continue relying on outdated and unconstitutional legislation to control and direct the city's affairs, thereby influencing the structural transformation domain.

ZANU-PF, through the Ministry of Local Government, controls the appointment of senior staff members, including the Town Clerk, through the local government board. It can also issue policy directives or override policy decisions made by the city. This centralized control extends to major

procurement processes directed through the national procurement system. For instance, in 2021, the government of Zimbabwe imposed a US\$400 million waste management project on Harare, which was rescinded after a public outcry. Additionally, in 2020, the government introduced provincial development coordinators, now known as provincial secretaries, whose roles conflicted with and duplicated the responsibilities of Town Councils, adding another layer of governance in an attempt to undermine the influence and impact of urban local authorities controlled by the opposition. ZANU-PF's influence on Harare's economy is substantial. For example, in 2021, the Minister of Local Government issued a directive allowing the provincial secretaries to participate in council meetings and receive reports from the Mayor and Town Clerk. This governance structure confuses many stakeholders and has been identified as a source of policy conflict. Where conflicts cannot be resolved, the government resorts to disciplinary measures. For example, over the past three years, Harare has experienced four changes of mayor and has lost 25 of its 46 councillors as a result of politically motivated suspensions by the central government. In an interview, the acting Town Clerk of Harare noted that nearly all city departments are currently led by individuals in acting capacities, which severely hampers the city's operational efficiency. The Auditor General's reports for 2016–19 highlighted significant institutional inadequacies, including corruption, many of which remain unresolved. In 2019, for example, the city discontinued using the BIQ billing system, resulting in a drop in revenue collection from 67% to 35%—a significant contraction of the city's revenue base. As a result, Harare is increasingly incapacitated in its ability to provide effective policy-making that supports economic growth within the city. It is clear from the foregoing that politics impedes structural change due to its stranglehold on the city's economy.

## 5.3 Key development challenges of structural transformation on the economy of Harare

Harare faces several development challenges that are typical of African cities, but other challenges are unique to Harare, given Zimbabwe's political dynamics and governance situation. For example, it faces rising unemployment, poverty, and inequality. It also faces massive deindustrialization, growing informality, urbanization, and overcrowding. Here we discuss some specific development challenges and explain their political-economy connections and how these complicate the prospects for structural transformation.

- I. **Cumbersome regulatory environment:** In our focus group discussions, private sector players complained about the cumbersome regulatory environment, which either made it difficult to start a business or constrained their operations. These regulatory constraints relate to excessive delays and lack of clarity in licensing both for large formal businesses and for small informal businesses, which need to be registered both with city authorities and with the Registrar of Companies. Moreover, these regulations are not implemented uniformly (Legat 2023). The World Bank's ease of doing business score of 54 for 2019 reflects and confirms the challenges above.<sup>1</sup> The same World Bank report notes that it takes about 27 days to start a business against a regional average of 21 days. Companies with links to national elites can easily overcome these challenges; their investment initiatives are often dubbed 'projects of national importance', which signals that they will have their regulatory processes fast-tracked or forgone. The same challenge affects procurement processes, where provisions and

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<sup>1</sup> <https://archive.doingbusiness.org/en/data/doing-business-score>

regulatory processes for awarding contracts are unclear or contracts are rarely put out for tender. The US\$350m waste-to-energy deal by Netherlands Geogenix BV imposed on Harare by the national government is a classic example,<sup>2</sup> reflecting how authorities can disregard rules when it is in their favour. It also reflects how the deals and rent space are closed and disordered, impacting structural transformation (Sen 2024).

- II. **Restricted access to finance:** 98% of respondents noted serious challenges with regard to access to finance, which have been exacerbated by foreign currency shortages and interventions by the Reserve Bank of Zimbabwe. On 7 May 2022, the Zimbabwe Reserve Bank suspended all lending by banks, plunging businesses into a financial crisis. The ban was lifted, but the central bank imposed a minimum lending rate of 200% on 24 June 2022.<sup>3</sup> Although the central bank had been running Micro, Small, and Medium Enterprises (MSMEs) facilities since 2021, with over ZW986 million disbursed by June 2022, none of our key informants had received funding. Further, the government Issued Exchange Control Directive 28/2019,<sup>4</sup> which forced operators to liquidate about 20% of their receipts in foreign currency into local currency (RTGS) using the bank rate, which is well below market value. Because of the resulting USD shortage, which mainly affected importing and exporting companies, the government created a weekly foreign exchange auction system in which operators bid for foreign currency. By August 2022, over US\$1 billion had been disbursed for 2022 alone. This system has distorted the foreign exchange markets and closed the deals space. The influence of the government is ubiquitous and a binding constraint to business growth. The policy environment is unpredictable and limits the entry of new firms. Additionally, the capacity utilization of the manufacturing sector remains below 50%, signalling the challenges facing the economy (CZI Manufacturing Survey 2020). Due to the political situation, these challenges are exacerbated by the country's high premium risk, making it difficult for enterprises to mobilize funds offshore. It is worse for local authorities that cannot access any concessionary international finance to support growth.
- III. **Chronic inflation:** Chronic inflation has eroded the value of the local currency, threatening the viability of local businesses in Zimbabwe. The country has changed its currency twice in the past two years, with the newly introduced Zimbabwe Gold experiencing a devaluation of over 43% by the central bank just five months after its launch. Before this, the RTGS currency saw the official inflation rate surge from 60.7% in January 2022 to 256.9% by July 2022. For public entities like Harare, this inflationary environment means that payments made in local currency quickly lose value, undermining their ability to provide essential services. In response, private sector players have turned to speculative and USD pricing to hedge against rising costs. This situation generates significant market uncertainty, adversely affecting investment decisions. Over 90% of respondents indicated that economic uncertainty greatly influenced their decisions to invest and expand their businesses. While the 2023 elections have come and gone, the country remains in electoral mode as campaigns to extend the term of office of the current president beyond the statutory limit of five years are under way, which heightens the prevailing political uncertainty and further complicates the economic landscape. Additionally, the government's tendency to engage in off-budget expenditures to finance

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<sup>2</sup> See <https://www.fairplanet.org/story/the-foul-waste-to-energy-deal-that-could-bankrupt-zimbabwes-capital/>

<sup>3</sup> [Monetary-Policy-Statement-August-2022-.pdf \(rbz.co.zw\)](#).

<sup>4</sup> [exchange-control-directive-ru-28-of-2019.pdf \(rbz.co.zw\)](#).

patronage creates inflationary pressures on the local economy. These observations align with Bonga's (2019) findings on the relationship between macroeconomic uncertainty and significant political events in Zimbabwe.

- IV. **Increasing informality:** One of the most pervasive and ubiquitous consequences of the wrenching structural changes in the Zimbabwean economy has been increasing informality. Informality is a structural constraint resulting from deindustrialization. Many of the 'big' business owners interviewed complained that informal players, many unlicensed, were selling 'unfairly' at the doors of major shops or in undesignated places. According to 2019 data, levels of informality have significantly increased and are now estimated at 60% of the contribution to GDP and about 76% of the contribution to employment (ILO and ZimStat 2019). Of the 2.9 million people aged 15 years and above then currently employed, about 2.2 million (76%) were considered informal workers. This situation worsened as a consequence of COVID-19 disruptions, as Harare suffered huge job losses and a drop in household income (ZimStat and World Bank 2020). The effect of informality is to diminish the ability of the private sector and the City Council to mobilize resources domestically due to the depressed tax base. Informality also undermines the effectiveness of macroeconomic policy. Worse, the city authorities do not seem to have a plan or strategic policy for transitioning the informal sector into SMEs and facilitating its entry into local and regional value chains. The informal sector is a key mobilization base for ZANU-PF, as most urban areas are opposition strongholds, explaining its policy ambivalence. The result is that formal retailers face increasingly stiff competition from cheap smuggled goods, leading to business closures.<sup>5</sup>
- V. **Declining quality of public institutions:** All respondents expressed concern over the quality of public institutions for political and economic governance. An economy is 'moulded by "enduring collective forces" which include formal institutions such as rules, laws, and organisation, as well as informal or tacit institutions such as individual habits, group routines and social norms and values' (North 1990: 3–10). In Harare, these institutions have undergone change. The rules of the game are, in many instances, unclear and change rapidly. For example, many players noted that they were unsure how to apply for and purchase land from the City and felt they needed access to political elites within the ruling and opposition parties. The checks and balances are also questionable. The City has failed to produce audited statements for the last three years, and reports of corruption and abuse of public resources are rife. Stakeholders have noted that continued dismissals of city officials on corruption charges have led to virtually all departments lacking a substantive head, undermining confidence in the City. Moreover, the constant policy changes within the Reserve Bank undermine its credibility and point towards a lack of independence. For example, in May 2022, the bank banned lending, only to reverse the decision a few weeks later. Respondents were emphatic that national and city ineffectiveness was due to weak institutions that often operate on a partisan basis. The national government has attempted to address this issue by appointing a commission of inquiry into the operations of the City of Harare. But it has already become clear that the commission is a tool for settling political scores.<sup>6</sup>

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<sup>5</sup> <https://www.sundaymail.co.zw/what-is-really-going-on-in-retail-sector>

<sup>6</sup> <https://www.herald.co.zw/president-mnangagwa-swears-in-commission-of-inquiry-for-harare/>

## 6 Policy options and conclusions

This paper analyses the spatial distribution of economic activity and patterns of structural transformation in Harare. Such an analysis is rare for Harare and most African cities, as studies on structural change predominantly focus on the national level and emphasize economic over political economy approaches. Our analysis indicates an increase in agro-industry, driven primarily by informal labour. This trend signifies a negative structural transformation in Harare. Additionally, the share of manufacturing employment has significantly declined, with remaining informal manufacturing workers concentrated in isolated wards. This trend deviates from the pattern of structural transformation typically observed in SSA, where a transition towards the services sector can be seen. The poor growth in formal services employment in Harare can be attributed to the widespread closure of businesses due to severe economic pressures and obstacles. Conversely, there has been a notable rise in informal employment within the services sector.

Harare's political configuration of power, characterized by a vertical authority structure, and the prevailing political settlement have been a significant barrier to structural transformation. This centralized and hierarchical governance model, coupled with subversive strategies employed by the central government, has stymied the city's ability to develop and implement a spatial transformation programme since 1993. The disconnect between elected and appointed authorities has fostered a toxic environment, hindering effective city management and the emergence of institutions necessary for a conducive business environment. This political landscape has created volatile state–business relations, particularly affecting enterprises in the city. Harare business deals are often based on political party affiliation, especially in the manufacturing and services sectors. This practice discourages investment and raises the cost of doing business. As a result, political and economic elites are more inclined to invest in speculative real estate developments than productive sectors of the economy. This closed-deal environment exacerbates the city's challenges, making it difficult for Harare to access the concessionary finance essential for infrastructure development and quality services. Consequently, the city struggles to deliver critical services such as water provision and housing, further impeding the creation of an environment conducive to business growth and development.

In the context of Zimbabwe, proposing measures at the city level is challenging due to the intricate entanglements of politics and the national government's centralization of policy and governance. However, based on our engagement with various stakeholders in the city, we propose policy options to address the identified challenges. Aligning with the Government of Zimbabwe's 'Zimbabwe is Open for Business' campaign, launched in 2017, we suggest measures to open Harare for business. These measures focus on formulating a spatial transformation programme that fosters collaboration among various city stakeholders to address issues affecting the business environment and redirect investment towards efficient, tradable production. There are studies that point towards the power of local policy-making for structural transformation (OECD/UN ECA/AfDB 2022). Theoretically, this approach aims to tackle such issues as inefficient land markets and improve the provision of essential services such as roads, water, and electricity. Practically, however, achieving these goals requires significant political will and cooperation between the central and local governments, similar to the cooperation observed during the Government of National Unity (GNU) from 2008 to 2013. Evidence suggests that during the GNU period, Zimbabwe experienced positive economic indicators (Kanyenze et al. 2017).



Unlike other cities, Harare experiences frosty state–business relations at both the city and the national levels. This became apparent through our various engagements with business stakeholders. There are no regular platforms for dialogue, no established targets, and no mechanisms to collectively identify and address challenges. As Sen (2015a) notes, effective state–business relations require efficient information flows, reciprocity, close consultation, and coordination. These require the state's credible commitment to creating a stable policy environment, and strong checks and balances. Unfortunately, these elements are currently in high deficit in Harare. Improving these areas would significantly enhance state–business relations.

Responding to politically driven factors is always complicated and limits the role of policy-making in influencing change, particularly in structurally weak and polarized contexts like Zimbabwe. Therefore, constitutionally guaranteed powers to match growing responsibilities in cities is a key first step. This will mean that the devolution framework adopted in the 2013 Constitution must be fast-tracked. Given the current context of vertically divided authority, the most significant positive factor will be reducing the opaque nature of local responsibilities concerning the central government. Second, formulating a spatial transformation plan is crucial to bringing stability to the city and laying the groundwork for its economic transition. As pointed out above, Harare has not had a spatial plan for nearly 30 years. This must be co-created with the Ministry of Local Government. Without such a plan, the city is on 'auto-pilot' and unable to promote investments in infrastructure and provide direct support for the informal sector in Harare in order to achieve export-quality productivity.

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# Appendix

**Table A1: Percentage change in employment in wards by sector, formal and informal, 2002–2012**

Ward	Municipality	Agro-industry		Manufacturing		Services	
		Formal	Informal	Formal	Informal	Formal	Informal
Eastlea Braeside	Harare	85.00	64.29	-26.65	-8.73	2.45	77.31
Mbare Musika	Harare	96.00	38.10	-80.10	-63.79	-66.58	-46.07
Magaba Mupedzanhamo	Harare	235.00	450.00	9.95	93.54	41.79	182.44
Belvedere Milton Park	Harare	188.00	450.00	0.00	-1.61	18.69	48.16
Harare CBD	Harare	11.00	62.50	-12.99	34.57	36.56	52.00
Avondale Newlands	Harare	235.00	450.00	-0.58	50.00	38.18	97.90
Highlands Colne Rolf Valley	Harare	114.00	450.00	-13.08	13.39	1.56	-3.89
Greendale Chisipite Manresa	Harare	187.00	257.14	1.94	51.39	21.43	63.92
Sunningdale	Harare	134.00	450.00	-51.17	-13.68	-18.16	68.74
Southernton	Harare	132.00	450.00	-59.61	-37.66	-26.82	-5.44
Mbare West	Harare	14.00	345.45	-72.14	-65.74	-62.79	-39.38
Rugare Lochinvar	Harare	235.00	450.00	-57.32	-23.22	-23.83	39.67
Kambuzuma	Harare	200.00	183.33	-40.17	18.38	5.40	79.95
Warren Park	Harare	235.00	340.00	-33.12	22.86	23.92	112.41
Malbertain Greencroft Westlea	Harare	143.00	133.33	-3.41	93.54	34.69	182.44
Mt Pleasant	Harare	92.00	66.67	19.17	35.71	17.98	100.26
Borrowdale	Harare	235.00	233.33	-16.54	37.44	10.22	38.46
Mabvuku Matongo	Harare	18.00	-16.67	-59.10	-3.07	-24.16	29.39
Mabvuku	Harare	-43.00	63.64	-60.15	-20.20	-18.50	46.09
Mabvuku Sunway City	Harare	31.00	0.00	-60.00	-18.01	-16.84	51.04
Hatfield Msasa Park	Harare	235.00	450.00	-21.66	28.52	15.15	113.89
Waterfalls	Harare	164.00	96.30	6.28	53.14	41.79	154.21
Highfields Machipisa	Harare	146.00	245.45	-57.27	-31.87	-17.50	23.30
Highfields	Harare	88.00	81.82	-52.49	-20.32	-13.52	23.65
Highfields Gazaland	Harare	87.00	147.37	-54.63	-18.31	-16.84	51.04
Glen Norah B	Harare	85.00	53.85	-46.67	-1.60	1.68	92.89
Glen Norah A South	Harare	108.00	71.43	-41.78	14.83	18.85	112.99
Glen Norah A	Harare	11.00	100.00	-73.84	-41.72	-50.83	-11.04
Glenview North	Harare	30.00	115.38	-37.79	56.10	18.49	129.78
Glenview South	Harare	-3.00	33.33	-43.69	1.83	-9.01	38.11
Glenview West	Harare	86.00	166.67	-54.20	20.82	-6.85	47.22
Budirino 1,2,3	Harare	65.00	76.92	-39.18	9.25	-4.33	47.19
Mufakose West	Harare	3.00	50.00	-48.88	-28.06	-16.46	16.07
Aspindale	Harare	98.00	130.00	-32.29	3.92	-11.26	80.14
Mufakose	Harare	7.00	45.45	-61.12	-49.65	-36.30	-7.98
Kuwadzana 1-2	Harare	56.00	100.00	-31.06	9.26	17.32	90.16
Kuwadzana 5-6	Harare	73.00	111.11	-50.56	-24.17	-5.62	89.64
Dzivaresekwa	Harare	45.00	125.00	-49.91	-11.88	-16.41	40.18
Dzivaresekwa Gladina	Harare	91.00	237.50	-29.73	15.21	3.76	67.46
Westgate Marlborough	Harare	74.00	141.67	19.17	93.54	41.51	181.91
Hatcliffe	Harare	128.00	112.50	19.17	93.54	41.79	182.44
Budiriro 4-5	Harare	69.00	136.36	-15.22	42.77	29.37	148.54
Kuwadzana Extension	Harare	93.00	142.86	-33.53	-11.59	4.48	78.10
Tynwald South Kuwadzana Phase 3	Harare	162.00	118.18	-5.15	32.77	41.79	109.90
St Mary's [1]	Chitungwiza	58.00	0.00	-26.67	4.37	41.79	80.80
St Mary's Manyame Park	Chitungwiza	21.00	-57.14	-35.99	-15.16	21.85	12.74
St Mary's Huruyadzo	Chitungwiza	100.00	-50.00	-35.60	27.05	32.65	40.52
St Mary's Chigovanyika	Chitungwiza	235.00	233.33	2.21	40.45	41.79	127.81
St Mary's [2]	Chitungwiza	54.00	0.00	-47.81	-18.74	16.08	28.70

Ward	Municipality	Agro-industry		Manufacturing		Services	
		Formal	Informal	Formal	Informal	Formal	Informal
Zengeza West	Chitungwiza	86.00	128.57	-28.75	3.35	9.71	89.44
Zengeza 1	Chitungwiza	8.00	66.67	-61.78	-16.99	-22.57	2.19
Zengeza 4-5	Chitungwiza	29.00	100.00	-51.37	-22.09	-9.16	52.16
Zengeza 3-4	Chitungwiza	52.00	75.00	-47.13	-34.95	-23.64	24.77
Zengeza 2-5	Chitungwiza	18.00	n/a	-46.68	-7.19	-12.22	44.89
Zengeza 3	Chitungwiza	64.00	200.00	-40.96	-15.20	-9.84	44.53
Zengeza 8	Chitungwiza	204.00	90.00	-2.17	46.11	39.43	128.83
Zengeza East	Chitungwiza	-22.00	16.67	-40.80	19.32	13.63	74.32
Zengeza 4	Chitungwiza	-7.00	180.00	-44.22	-6.59	-5.84	9.41
Chitungwiza Town Centre	Chitungwiza	-42.00	16.67	-65.05	-31.53	-21.09	-15.45
Chitungwiza Unit K-J	Chitungwiza	179.00	200.00	-33.22	-9.14	-0.50	54.81
Seke 7	Chitungwiza	235.00	400.00	-46.15	-21.28	-7.06	21.33
Unit L Seke 4	Chitungwiza	130.00	300.00	11.36	89.37	41.79	171.92
Seke 1 Unit F	Chitungwiza	25.00	266.67	-44.05	-0.90	1.57	61.32
Kumene Shopping Area	Chitungwiza	23.00	100.00	-60.51	-42.75	-6.58	-0.07
Seke 2 and 6	Chitungwiza	235.00	450.00	-30.50	-0.91	19.81	43.84
Chitungwiza South	Chitungwiza	100.00	333.33	-62.02	-33.73	-16.72	3.35
Seke 4 and 11 Area	Chitungwiza	84.00	50.00	-25.83	31.23	34.63	72.49
Unit M and surrounds	Chitungwiza	103.00	45.45	-40.00	-8.08	6.81	59.01
Muguta	Epworth	104.00	111.11	-26.99	42.11	5.42	111.49
Epworth Makomo	Epworth	2.00	-50.00	-37.87	5.09	-3.17	56.48
Domboramwari	Epworth	44.00	-33.33	-50.06	18.31	22.89	143.07
Adelaide Park	Epworth	-40.00	-85.00	-52.25	0.90	-3.75	74.68
Chinamano Extension	Epworth	-23.00	-80.00	-46.56	-15.12	-22.41	47.27
Overspill	Epworth	191.00	115.38	19.17	76.42	41.79	182.44

Source: authors' construction based on data from 2002 and 2012 Population Census (ZimStat 2002, 2012) and World Bank (2012, 2017).