A Comparative Analysis of Zimbabwe and Its Neighbors on Corruption and Governance on Economic Growth

Abstract

But one thing that has severely affected zimbabwe's economic path is corruption and poor leadership especially in the agricultural area. This essay explores the detrimental effects of corruption on Zimbabwe's GDP, focusing on the Marange diamond scandal and the broader implications of governance issues. It just brings out the fact that secrecy and lack of accountability have taken away from public works, social programs, and general economic growth. However, with two-thirds of Zimbabwe's workforce working in this sector, agriculture has the possibility of being a strong catalyst for economic recovery. The paper discusses the efforts of the Command Agriculture Program to stimulate productivity growth via various interventions and concludes that immediate attention must be given to the fundamental problems.

Build out and upgrade irrigation, upgrade transportation and energy infrastructure, and provide more financial access to farmers. This implies the construction of major and minor irrigation projects and also the exploitation of public-private partnerships and the investment in renewable energy. It also suggests the modernization of transportation systems and the enhancement of energy security to facilitate agricultural efficiency. Financial reforms would involve the extension of credit facilities, the continuation of input subsidies, and the provision of financial education to farmers. Such policies would enable Zimbabwe to overcome its present difficulties, increase agricultural productivity, and promote overall economic expansion, which would then lead to a more democratic and responsible government.

Introduction

Corruption is a major impediment to economic growth and development, with significant negative effects on various economic indicators. Empirical research has thoroughly documented that corruption hurts economic performance in many different ways. For instance, research indicates that a 1% increase in corruption can lead to a 0.72% reduction in economic growth (Mo, 2001). Also, a rise of one point in the

corruption index is linked to a $425 fall in GDP per capita (Dreher Herzfeld, 2005). These statistics help to illustrate the great economic toll that corruption takes through lower investment, impeded international trade, and volatile prices (Dreher Herzfeld, 2005).

As a result of corruption, government spending and resource allocation becomes distorted, and therefore, the distribution of public funds becomes inefficient and inequitable (Claros, 2015). It changes the nature of government spending, typically focusing on projects that bribe the corrupt officials as opposed to those that would most benefit the public. This only serves to further warp the economic ladder and render useless any public services.

But corruption still stands as a mighty stumbling block to economic growth and development in Zimbabwe, it really holds so much potential but is so terribly crippled by it. The problems with the country are evident by the continuing problems it has with important sectors like the diamond industry and agriculture. Despite the discovery of rich diamond deposits in Marange in 2006, the sector has been marred by corruption and mismanagement, leading to substantial economic losses. For example, the lack of transparency with the diamond revenues of the previous Minister Obert Mpofu left Zimbabwe with a significant deficit of what the expected national income should have been, with only 2 billion dollars out of approximately 15 billion of diamond revenues (BBC, 2016).

Similarly, the Fast Track Land Reform Program, intended to boost agricultural output and GDP, failed to meet its objectives due to widespread corruption and administrative inefficiencies. The deficiencies of this program caused not only a decrease in agricultural productivity, but also an increase in poverty and income disparity. This corruption is clearly seen in the fact that Zimbabwe has a GDP that has remained relatively stagnant and a per capita income that is very low compared to surrounding countries such as Botswana, which has used its diamond wealth to its advantage because it has established some strong anti-corruption measures and has a very transparent government (Manenji, 2017).

The correlation between corruption and political instability is especially interesting. The channel through which corruption affects economic growth that most people think of is political instability, and this accounts for 53% of the total effect (Mo, 2001). Corruption erodes the legitimacy of institutions, lowers confidence in government, and leads to political instability, which in turn can seriously impair economic activities and investments.

These are problems that Zimbabwe must overcome if it ever hopes to rejuvenate its economy. The following suggestions will hopefully lead to better government, better use of resources and continued economic expansion.This paper will examine the damaging impacts of corruption on Zimbabwe's economy, with a specific emphasis on the diamond industry and farming. It highlights the critical need for transparency and effective governance to unlock the country's economic potential. This paper uses Zimbabwe's experiences along with successful reform models from other countries to provide practical solutions to corruption and better economic performance. Some of the main solutions are accountability in the use of resources, stricter anti-corruption policies, and development of infrastructure and irrigation systems to ensure agricultural productivity.

Understanding the relationship between Corruption and GDP per capita

In Mauro's influential paper, "Control of Corruption," he found that corruption has a significant negative impact on economic growth. Specifically, a 1% increase in corruption leads to a 0.72% decrease in GDP per capita (Mauro, 1995). In order to examine this with respect to Zimbabwe and its surrounding countries, we looked at the correlation between control of corruption and GDP per capita.

Scatter plot of GDP per capita and Control of Corruption
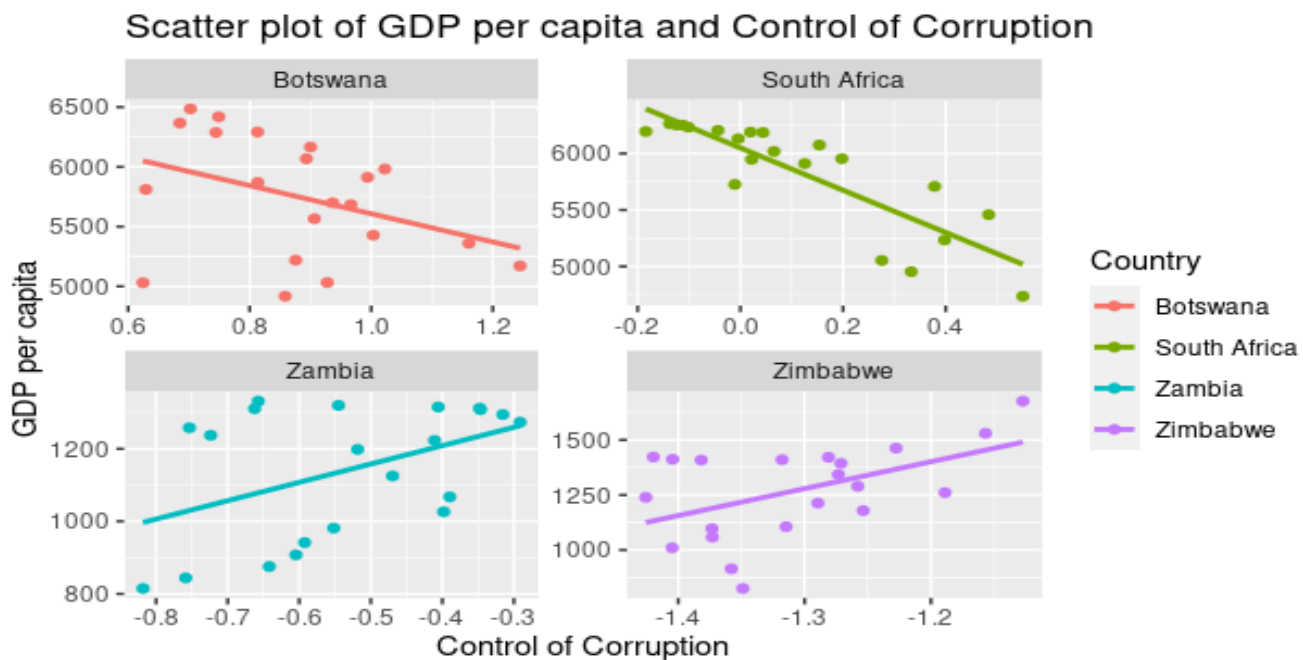
The scatter plot shows the correlation between control of corruption and GDP per capita for different countries. South Africa and Botswana, which are higher on GDP per capita, also show that relationship with control of corruption. I. e. Control of Corruption is positively related to GDP per Capita in those countries. However, Zambia and Zimbabwe, which have lower GDP per capita, do not seem to follow that pattern so easily. Despite the high levels of corruption, their GDP per capita remains low, suggesting that controlling corruption might still be a challenge in these countries.

Methodology

So to delve a little deeper into how governance affects GDP per capita, we ran an OLS regression model with GDP per capita as the dependent variable and control of corruption, government effectiveness, and rule of law as the independent variables:.

$$GDPpercapita = b + b1\,ControlofCorruption + b2RuleofLaw + b3GovernmentEffectiveness + error$$

Where:

- GDP per capita is the dependent variable
- b is the coefficient of the constant
- b1 is the coefficient of the control of corruption
- b2 is the coefficient of Rule of law
- b3 is the coefficient of Government effectiveness
- Error is the error term.

Data is from the World Bank, the indices of GDP per capita at constant 2015 and Worldwide Government Indicators for South Africa, Zambia, Zimbabwe, and Botswana from 2000 to 2021. The results of the Ordinary Least squares regression model below showcase different values to that of the graph above.

Ordinary Least Squares Model

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Dependent Variable: GDP_per_capita

Variables	Botswana	South Africa	Zambia	Zimbabwe
Control_of_Corruption	667.409	1,032.383	324.833	825.625
	(764.453)	(428.323)	(183.191)	(578.096)
Government_Effectiveness	1,189.418	1,138.120	1,294.198	685.625
	(998.121)	(468.859)	(192.004)	(222.353)
Rule_of_Law	4,324.763	240.315	228.963	577.643
	(1,433.384)	(472.949)	(217.694)	(149.974)
Constant	7,957.551	6,275.695	1,869.281	1,948.906
	(589.112)	(110.606)	(99.965)	(525.655)

| Observations | 21 | 21 | 21 | 21 | |
| R² | 0.502 | 0.802 | 0.790 | 0.691 | |

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Note: p<0.1; p<0.05; p<0.01

The OLS regression results reveal varying impacts across countries:

- Botswana: Control of corruption has a positive coefficient (667.409), though not significant. Government effectiveness also shows a positive coefficient (1,189.418), significant for Botswana.

- South Africa: The coefficient for control of corruption is positive (1,032.383), and government effectiveness is also significant (1,138.120).

- Zambia: The coefficient for control of corruption is positive (324.833), with government effectiveness showing a strong positive effect (1,294.198).

- Zimbabwe: Control of corruption has a positive coefficient (825.625), indicating that higher control of corruption is associated with higher GDP per capita. Government effectiveness and rule of law also have positive coefficients (685.625 and 577.643 respectively).

These finding do indicate, however, that control of corruption and government effectiveness are related to GDP per capita, but the nature of these relationships, their strength, and their significance are all dependent on the country. For example, in Zimbabwe, a one unit increase in control of corruption, government effectiveness, and rule of law leads to an increase in GDP per capita of 825.625, 685.625, and 577.643 respectively.This is consistent with the study done by Mustapha et al. (2014) "Corruption and Economic Growth" which found a negative correlation between corruption and GDP per capita. This is consistent with the theory that less corruption should lead to a higher GDP per capita. But the different results in different countries suggest that this relationship is not so simple, and that other factors, such as the quality of governance and policy implementation play a role as well.

Expanded OLS Regression Model

In order to delve deeper into the relationship between government and GDP per capita, we extended our OLS regression model to incorporate other control variables after running a dummy variable test that could possibly affect economic performance. The addition of Agriculture Forestry Fishing and Mineral Rents is to account for the direct contributions of some key economic sectors, as cited in the above land reform struggles and diamond mining industries, thus giving a better overall picture of economic performance.

By examining the interplay between the institutions of governance and the economy, one can better design policy interventions. For instance, just the governance index may not be enough if the agricultural or mining or etc. sector is not included at the same time, but the nice thing about the model is that it accurately reflects the real world in that economic performance is determined by a combination of factors. The addition of industry-specific variables makes the analysis much more in line with the economic conditions of the country being studied.

Expanded Ordinary Least Squares Model

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Dependent Variable: GDP_Per_Capita

Variable	Botswana	South Africa	Zambia	Zimbabwe
Intercept	803.3 (308.8)	803.3 (308.8)	803.3 (308.8)	803.3 (308.8)
Agriculture	2.814e-09 (2.273e-07)	2.814e-09 (2.273e-07)	2.814e-09 (2.273e-07)	2.814e-09 (2.273e-07)
Government_Effectiveness_Sources	51.53 (34.80)	51.53 (34.80)	51.53 (34.80)	51.53 (34.80)
Rule_of_Law_Sources	-68.29 (14.10)	-68.29 (14.10)	-68.29 (14.10)	-68.29 (14.10)
Control_of_Corruption_Sources	64.68 (25.73)	64.68 (25.73)	64.68 (25.73)	64.68 (25.73)
Mineral_Rents	-0.249 (2.599)	-0.249 (2.599)	-0.249 (2.599)	-0.249 (2.599)

	Botswana	South Africa	Zambia	Zimbabwe
Observations	21	21	21	21
Residual Standard Error	62.68	62.68	62.68	62.68
Multiple R-squared	0.9171	0.9171	0.9171	0.9171
Adjusted R-squared	0.8912	0.8912	0.8912	0.8912
F-statistic	35.41	35.41	35.41	35.41
p-value	4.193e-08	4.193e-08	4.193e-08	4.193e-08

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Note: Standard errors are in parentheses; Significance codes: 0 '' 0.001 '' 0.01 '' 0.05 '.' 0.1 ' ' 1

<u>Interpretation and Comparison with Mauro's Findings</u>

My analysis shows a statistically insignificant, but positive correlation between control of corruption and GDP per capita. This contrasts with Mauro's findings, which demonstrate a significant negative impact of corruption on GDP per capita, with a 0.72% decrease for every 1% increase in corruption. This difference in estimates implies that with my data the relationship between corruption control and economic performance is not as strong as the relationship that Mauro finds. This may be because of different datasets or time periods or methods.

Government Effectiveness variable has a positive coefficient, but it's not significant. Mauro's work doesn't really look at government effectiveness, but the implication is that higher quality governance should lead to higher GDP per capita. In my study the government effectiveness has a positive yet insignificant effect, meaning, yes in theory it's important but in my data set not so much in GDP per capita. This seems to indicate a possible discrepancy in the way that the two studies have operationalized and measured the concept of governance quality.

The findings reveal a significant negative coefficient for the rule of law, indicating that higher adherence to the rule of law is associated with lower GDP per capita in my dataset. This goes against the hypothesized positive correlation and indicates some problems with the rule of law that may or may not support the larger implications of Mauro's work. Mauro somewhat leaves the correlation between rule of law and corruption for us to infer, but it's pretty obvious that if there is better rule of law, there should be less corruption, and in turn, better economic performance. The bad influence on my results may be some individual, contextual variables or anomalies in my data.

Mineral rents do not seem to affect GDP per capita. There is no direct comparison because Mauro's study is not about mineral rents. But my zero impact of mineral rents kind of implies that they don't play a large role in economic performance in my analysis. This could be due to the specific characteristics of the countries or regions included in my dataset, where mineral rents do not play a significant role in the economy.my OLS regression shows that although those factors of governance, control of corruption and government effectiveness are important in theory, in my data they don't necessarily seem to have as much of an affect on GDP per capita. That is different from what Mauro's study indicates, with a much more negative correlation between corruption and economic performance.

Our findings reveal that while governance factors like corruption control and government effectiveness are important in theory, their effects on GDP per capita are context-dependent. The disparity of the answers only proves how intricate the correlation between governing and economic success is. It just goes to show that when analyzing these sorts of things, one must be mindful of the specific national contexts and other factors that could be at play.

Our research supports the hypothesis that corruption and governance do have a very significant effect on GDP per capita, but the magnitude and level of significance of these relationships change depending on the country in question. This study implies, of course, that controlling corruption and improving governance are essential for economic growth, but that the effect of these variables may vary depending on the nature of the country and other economic variables. The results highlight the need for corruption targeted policies and good governance reforms to improve economic outcomes. Further research needs to be done to better understand these relationships, while keeping in mind that every nation is unique and that politics and economic growth are not monolithic. Hence can development factors solely be independent?

Impact of Corruption

Corruption, the absence of transparency and accountability, is a serious impediment to economic development. For example, the diamond industry in Zimbabwe represents the corruption that causes an economy to fail to reach its potential. Despite the discovery of diamonds in Marange in 2006, the country has failed to harness the full economic benefits due to opaque management and corruption. This paper examines the detrimental effects of corruption on Zimbabwe's GDP, particularly through the lens of the Marange diamond scandal and the Fast Track Land Reform Program, and contrasts Zimbabwe's situation with neighboring Botswana, which has successfully managed its diamond resources with better governance practices.

The Marange Diamond Scandal

Greed and Corruption in Zimbabwe's Marange Diamond Fields, 2012). The opaque nature of the deals approved by Mpofu allowed for significant diversion of resources from public benefit to personal enrichment. How corrupt it is is evident in how much money is supposed to come in compared to how much actually does. According to estimates Zimbabwe should have received about 15 billion from the Marange diamonds but they only got around 2 billion (BBC, 2016). This deficit represents a net loss of hundreds of billions of dollars in possible revenue that could have been used to build roads, schools, hospitals, etc. The nontransparent nature in which these revenues were handled and divided have not only destroyed public confidence, but have also starved the economy of much needed investments, thus keeping poverty intact and development stagnant.

<u>Comparative Analysis with Botswana</u>

On the flip side there is Botswana, and its diamond industry, where the government has shown it can be done with responsibility and transparency. Diamonds contribute to about 33% of Botswana's GDP, which shows that this sector has been absorbed into the national economy quite well (Manenji, 2017). The government mandates that all diamond revenues be deposited into the Central Bank, with withdrawals requiring evidence and receipts. This strict financial accountability limits corruption and allows the money to actually be used for the public's good instead of someone's pocket.

The way Botswana has handled its diamond wealth has given it great economic prosperity and a GDP per capita much higher than Zimbabwe. The diamond industry in Botswana, which places great emphasis on transparency and accountability, exemplifies how good governance can utilize natural resources to foster economic development, whereas in Zimbabwe corruption has prevented the realization of any such benefits.

<u>The Fast Track Land Reform Program</u>

Another example is the Fast Track Land Reform Program in Zimbabwe, which shows how corruption and mismanagement can stall economic policy and development. The program, which was originally designed to redistribute land and increase agricultural production, became tainted by waste and corruption. The allocation of land was often influenced by political favoritism rather than merit, leading to a decline in agricultural output (Liu Lee, 2020). This mismanagement took a direct toll on Zimbabwe's GDP, for the decrease in agricultural production hurt one of the nation's major economic areas.

According to Liu and Lee (2020) corruption negatively impacts government management quality, which in turn decreases policy performance. For example, the corruption surrounding Zimbabwe's land reform program is a perfect example of how corruption can impede the success of policy implementation, and ultimately lead to economic loss. The decline in agricultural output, a direct consequence of corruption, illustrates the broader impact of governance failures on economic performance.

<u>Corruption as a Self-Reinforcing Cycle</u>

Mauro's study also emphasizes that corruption is a self perpetuating process, where corruption only breeds more corruption, leading to inefficiency and stagnation(Mauro, p.293). Corruption is rampart in Zimbabwe and has become a part of the political system, the Marange diamond case and the land reform program are just a few examples of the rampart corruption that feeds the cycle. The persistent nature of corruption has weakened governance structures, exacerbated income inequality, and impeded economic progress.

Zimbabwe's Corruption Perceptions Index (CPI) scores have been relatively stagnant in recent years, indicating that these problems are not going away anytime soon (Datopian, 2018). The inability to effectively address corruption has resulted in weak governance and continued economic difficulties. As Svensson (2000) states, corruption worsens income distribution and retards economic growth, as can be seen in Zimbabwe's economic dilemma.

<u>Comparative Insights from South Africa and Zambia</u>

By looking at Zimbabwe's surrounding countries one can better understand the affect of government on economic success. South Africa and Zambia, which have better World Governance Indicators (WGI) scores are usually more wealthy, as measured by GDP per capita, than Zimbabwe. This relationship implies that good government and lack of corruption lead to improved economic performance. For instance, Tanzi et al. (1997) state that corruption lowers economic growth due to the fact that it decreases investment and erodes economic stability.

South Africa has a much higher GDP per capita and better governance indicators which show how good governance can lead to economic success. For example, Zambia's economic success mirrors the affect of leadership on development, but it still has its problems relative to South Africa and Botswana.

Corruption in Zimbabwe has had a significant negative impact on the country's GDP and economic growth, as evidenced by the Marange diamond scandal and the Fast Track Land Reform Program. There is no transparency or accountability in these areas, and as a result, there has been significant financial loss and

inefficient use of resources. In contrast, neighboring countries like Botswana and South Africa, with better governance practices, demonstrate how effective management and transparency can drive economic growth.
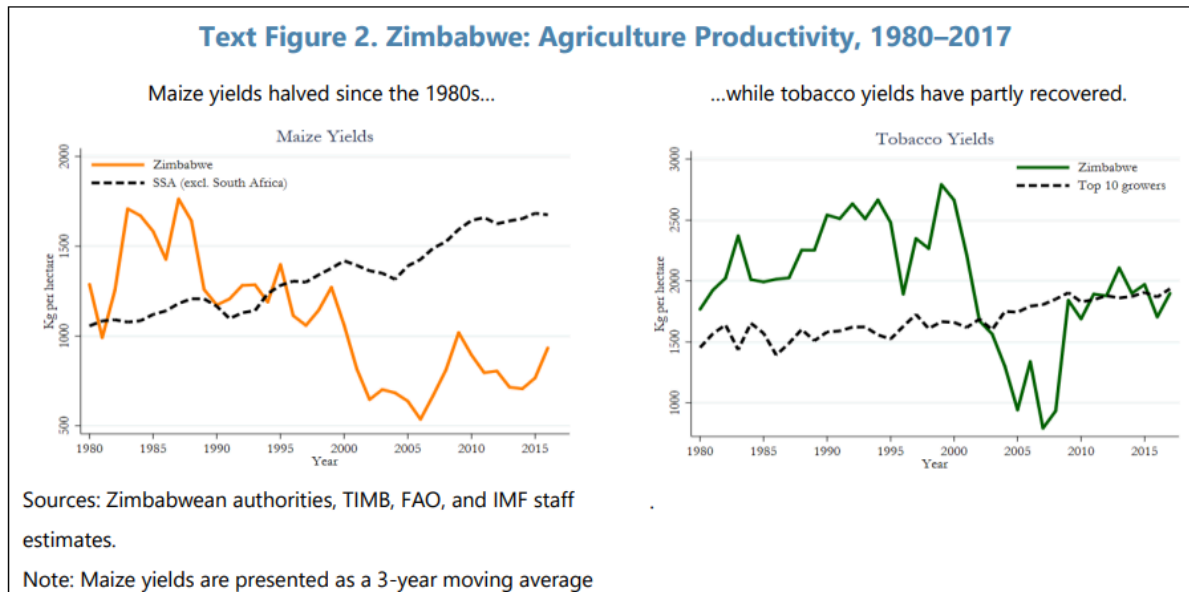
In order to overcome these hurdles, Zimbabwe needs to put strong anti-corruption measures into place, increase transparency, and reform its style of governance. Zimbabwe can unlock its economic potential and achieve sustainable growth if it learns from the successes of its neighbors and addresses the systemic issues with in its governance framework. Effective governance is not just a matter of policy but a critical component of economic development, influencing investment, public trust, and overall economic performance.

Policy Recommendation to improve agricultural productivity

The agricultural sector represents about 10 percent and it employs about 2/3 of Zimbabwe's working class (Lima & Lessard, n.d.). However, inflation in the 1990s in real values led to a decrease in agricultural produce in 2000 (lima & Lessard, n.d.). Zimbabwe's agricultural output has decreased significantly over the past two decades which has harmed Output and poverty. Ever since the land reform act in 2000, access to financial institutions, droughts, poor infrastructure, and lack of human capital has been attributed to agriculture. Zimbabwe's heavy dependence on rain has made it extremely difficult to chart for abrupt changes in weather conditions due to climate change. The predictable and regularity of rainfall during the different seasons have changed erratically. It has caused a decrease in crop yields, and an increase in food security, and poverty rates. The land reform Act enacted in the early 2000s left small-scale farmers with insufficient financial resources, access to inputs, and human capital such as workers, seeds, fertilizers, etc leading to low agricultural and low Gdp values in Zimbabwe. Accessibility to markets for farmers has also been an issue limiting the amount of money they could make if infrastructure like roads were better farmers could have more income. The studies of Moiseev determine that increasing overall wealth in the economy helps in combating corruption (Moiseev et al., 2020p.791). Targeting the agricultural sector in Zimbabwe will enable the country to become more competitive and increase GDP and alleviate poverty. Addressing irrigation and infrastructure in my opinion will be key to improving Zimbabwe's agricultural sector and further improving GDP and alleviating poverty in Zimbabwe.

However, Zimbabwe has taken a couple of initiatives to try and improve the agricultural sector. The Command Agriculture Program was a set of initiatives to boost agricultural produce such as the Presidential

Input Scheme(PIS), the special maize program that provides credit to farmers, tobacco and cotton input funds, and price subsidies agricultural(lima & Lessard, n.d.).

Text Figure 2. Zimbabwe: Agriculture Productivity, 1980–2017

Maize yields halved since the 1980s...
...while tobacco yields have partly recovered.

Sources: Zimbabwean authorities, TIMB, FAO, and IMF staff estimates.
Note: Maize yields are presented as a 3-year moving average

The graphs above show how bad the issues in Agriculture are and how crucial these programs are in boosting agriculture. In both graphs, there are positive early signs of the recovery of tobacco and maize that could lead to higher GDP. The PIS was scaled up from " US$42 million in 2016 to US$263 million in 2018", the program is a safety net that redistributes seeds and fertilizers to farmers (lima & Lessard, n.d.). The tobacco and cotton input funds that made tobacco the most imported export of Zimbabwe in 2017 and the price subsidies for both inputs and outputs offered farmers a chance to compete in the international market(lima & Lessard, n.d.). The special maize program provides farmers in Zimbabwe with possible access to credit and financial institutions to get loans(lima & Lessard, n.d.). Collectively, the policies known as Command Agriculture Program is a commitment to help boost agriculture in Zimbabwe. For these goals to be met, agriculture will have to improve its productivity and increase the incomes of Zimbabwean farmers. The hope is to have farmers compete in the larger market and enable them to scale up their businesses. Further policies can still be implemented to further improve the sector such as the development of infrastructure and Irrigation will improve GDP and reduce poverty.
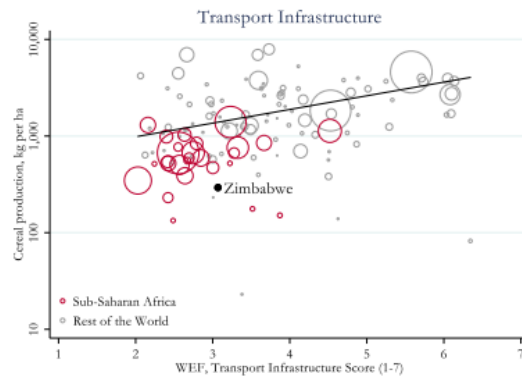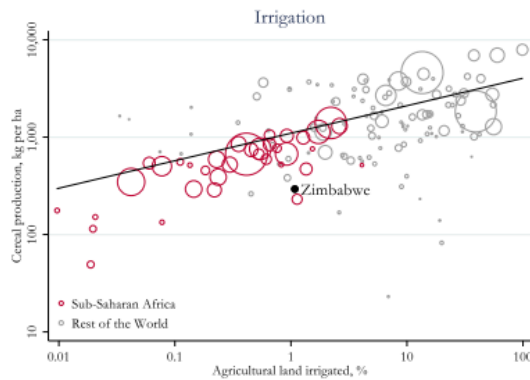
Adopting an irrigation system throughout the whole country will reduce dependence on rainfall, and increase agricultural productivity as shown by the image above only 1% of the cereal plantations in Zimbabwe are irrigated. "Irrigated agriculture is expected to continue to play a major role in achieving sustainability in the food and agriculture sector, through improvements towards food security and quality of life, while conserving the environment."(Wrachien et al). Zimbabwe has several water sources, for example, River Zambezi, River Limpopo, and Save River. Irrigation will address the water challenges to agriculture and reduce poverty(E. A. Ofosu). Through this Zimbabwe should expect secondary benefits for the economy by increasing productivity, stimulating the sector and promoting agro-business ideas and enterprises. However, due to high capital costs and maintenance requirements, and possible corruption scandals, I would suggest partnering with companies to develop irrigation schemes and incentivizing farmers to set up irrigation schemes of their own. Success factors for sustainable irrigation development in Sub-Saharan Africa State that irrigation has a positive relationship in poverty alleviation in rural areas(E. A. Ofosu). For example, Zimbabwe adopted irrigation schemes in the country to eradicate poverty and improve food security for mostly small-scale farmers. Lots of schemes were set up in different districts such as Mberengwa, Shrugwi, Gweu etc(Mhembwe et al., 2019) to boost agricultural production and reduce rainfall dependence. The irrigation scheme run by 85 small-scale farmers has increased output and reduced poverty however vandalism, maintenance issues, and the proximity of some of the farms to water bodies has underutilized its potential (Mhembwe et al., 2019). Expanding the irrigation systems to the greater part of the country will help eliminate vandalism and jealousy from other farms as the results of irrigation schemes outweigh the negative. Empowering Farmers with technical skills or hiring technically skilled people to work on repairs and maintenance of irrigation equipment is beneficial in seeing continued improvement. Including water

reservoirs, recommending the adoption of solar water pumps for irrigation will reduce electricity dependence and further encourage irrigation schemes in the country.

Although irrigation is a necessity, it is certainly not the complete answer to Zimbabwe's agriculture problems. Is to develop the infrastructure along side these strategies, because without this there will not be overall progress in this field.

<u>Improving infrastructure</u>

Infrastructural development, especially in the areas with irrigation schemes, is enhancing agricultural output, increasing output, and decreasing poverty. The country will acquire food security and reduce transportation costs for farmers. Zimbabwe's infrastructure is in dire need of improvement, the transportation routes and network for goods and services are deemed unsuitable for agricultural produce. The poor road conditions have limited the accessibility for different farmers to the markets. Technologies tend to unlock some entrepreneurial ventures that so far have not yet been exploited yet (Ofosu et al., 2010). Lack of infrastructure is restricting the amount of produce farmers produce and as a result GDP of the country. The government should prioritize investment in infrastructure to promote the transportation of agricultural products by reducing transaction costs and encouraging small-scale farmers to expand. This could also be done in the form of building, and improving already existing railways, ports, roads, and electricity. The electricity shortages decrease the effectiveness of the irrigation schemes that have been set up around the country. For example, the damage caused by Cyclone Idai to the transport infrastructure worsened the challenges already present (lima & Lessard, n.d.). According to Edeme et al (2020), the results suggest that the accessibility to transportation infrastructure, electricity, and land are positively related to agricultural employment. The regression analysis results from Table 3, " a percentage increase in access to electricity and information and communication technology improve agricultural output by 0.33 percent and 0.28 percent respectively". This goes to show that investment in the infrastructure will go to further benefit GDP but also have secondary effects that would decrease poverty(Edeme et al., 2020).

The impact on infrastructure and irrigation seems to be close to the financial accessibility of the farmers. Better accessibility yields more fruitful results in irrigation and Infrastructure provision. Investing in technologies for irrigation, and improving infrastructure, financial access, and credit are crucial in yielding

increased incomes and improving livelihoods. Therefore, the necessity for financial inclusion and accessibility programs is essential. For example in Sudan, The agricultural Value Chain Development Project(AVC-DP) aims at improving agriculture by getting a grant from the African Development Bank (Bank 2020). The Republic of Sudan received funds to finance payments for the design and construction of the Commodity Exchange Building making accessibility to the markets easier for farmers and consumers (Bank 2020). The African has credibility sources for firms to look through to check for eligibility prior to receiving the grant. They also practice transparency and accountability as the person that received the funds for the project is stated on the document that it is free for public use. This goes on to showcase how solving for GDP and poverty through improving agriculture impacts other fronts and sectors of the country further improving the standard of living by decreasing poverty.

The Command Agriculture Program policies set in place by Zimbabwe to boost agriculture and alleviate poverty by boosting GDP and incomes have had a positive impact. Increased agricultural produce, increases revenues and job creation however, crucial policies like irrigation and infrastructure need to be included on top of the existing ones to further enable the country to reach its potential

In conclusion, the dangers of corruption have a detrimental effect on the country's GDP per capita as it diverts resources allocation, and policy implementation and impacts government institutions. The widespread nature of corruption has made the rich richer and hindered consumption of public goods, agriculture, and unfortunately GDP. On the other hand, the potential in the agriculture sector shows promising results in the battles for GDP boost and poverty reduction. Through improving infrastructure, irrigation, and accessibility to credit will provide more employment opportunities and improve food security.

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