

# How can **Zimbabwe** successfully reintegrate into the international community?





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**Steven Gruzd and Aditi Lalbahadur**

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## **Published by**



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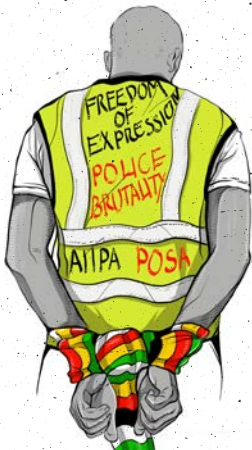
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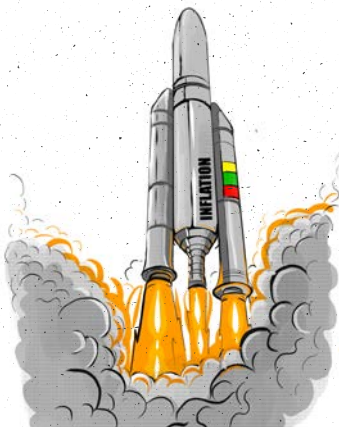
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## Executive summary

This report seeks to provide a better understanding of the dynamics and impediments to improving Zimbabwean relations with other states, including those in the West. It makes recommendations for ways in which the country could overcome the current political and economic impasse to re-engage more successfully against the backdrop of the Zimbabwean government's efforts to build strategic alliances that will support its economic recovery. In July and August 2019, researchers from the South African Institute of International Affairs (SAIIA) visited Harare and conducted interviews with 18 stakeholders, including representatives of both major political parties, government officials, journalists, civil society activists, economists, and Western and non-Western diplomats. SAIIA's fieldwork occurred exactly a year after the 2018 elections. Interviewees were pessimistic about prospects under President Emmerson Mnangagwa, and agreed that the mood and morale of the country was low. The report unpacks Zimbabwe's political and economic landscape and the government's international engagement strategy, as well as assessing the potential to explore joint efforts (with the region, and traditional and non-traditional partners) that could support a meaningful political and economic reform agenda in Zimbabwe.

The report briefly examines the November 2017 coup and the aftermath of the July 2018 elections, and reflects on the current situation in Zimbabwe. It explores both the political and economic spheres, given that they are so closely intertwined. It looks at efforts to promote national dialogue, as well as progress and setbacks in Zimbabwe's engagement with other countries—chiefly the United States (US), the United Kingdom (UK), the European Union (EU), China, South Africa and Southern African Development Community (SADC). At this juncture, Zimbabwe is stuck in a logjam. Internally, the ruling Zimbabwe African National Union Patriotic Front (ZANU PF) is riven by factions and the heavy presence of the military. The long-time leader of the opposition Movement for Democratic Change (MDC) succumbed to cancer on 14 February 2018 and the opposition is still splintered, despite attempts to unify, leaving it in disarray. ZANU PF and the MDC do not appear to be ready to talk to each other, and Western donors are refusing to budge on sanctions until there are genuine, irreversible political and economic reforms. This paper attempts to understand these dynamics, and propose a viable way forward.

## Introduction

This report seeks to provide a better understanding of the dynamics and impediments to improving Zimbabwean relations with other states, including those in the West. It makes recommendations for ways in which the country could overcome the current political and economic impasse to re-engage more successfully against the backdrop of the Zimbabwean government's efforts to build strategic alliances that will support its economic recovery.

In July and August 2019, researchers from the South African Institute of International Affairs (SAIIA) visited Harare and conducted interviews with 18 stakeholders, including representatives of both major political parties, government officials, journalists, civil society activists, economists, and Western and non-Western diplomats. In order to foster frank discussions on the situation in Zimbabwe and the prospects for reintegration into the international community, all interviews were conducted on the basis of anonymity. This was supplemented with desk research and interviews conducted in Pretoria and Johannesburg with, among others, National Treasury, the Tanzanian High Commission and South African analysts working on Zimbabwe.

SAIIA's fieldwork occurred exactly a year after the 2018 elections. In the interviews, the interviewees were pessimistic about prospects under President Emmerson Mnangagwa, and agreed

that the mood and morale of the country was low. This report analyses Zimbabwe's political and economic landscape and the government's international engagement strategy. It also assesses the potential to explore joint efforts (with the region, and traditional and non-traditional partners) that could support a meaningful political and economic reform agenda in Zimbabwe.

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## Background

On 11 November 1965, the Cabinet of Rhodesia made a Unilateral Declaration of Independence from Britain and white minority rule continued for the next 15 years, amidst a protracted liberation war, with the country facing economic sanctions and growing international isolation. When Zimbabwe finally achieved independence from the UK on 18 April 1980 after this long-standing armed and political struggle – with a transition facilitated through the 1979 Lancaster House Agreement – it rapidly began to forge diplomatic relations with the rest of the world.<sup>1</sup> It established and maintained various formal political and commercial ties, prioritising Southern Africa and the rest of the African continent. It also extended relations to the UK, its former colonial power, the US, European countries and the forerunners of the European Union (EU), other Commonwealth countries and its erstwhile allies in the struggle for independence, China and Russia. This represented a ‘golden phase’ for Zimbabwe’s integration into the world as a newly independent nation.

However, this changed rapidly after a stinging defeat for President Robert Mugabe’s ZANU PF in a referendum on a new constitution in 2000, which also coincided with the rise of the opposition MDC from the labour movement. Frustration over the slow pace of land reform led the war veterans, with endorsement of the ZANU PF

government, to invade and expropriate many of the country’s white-owned commercial farms. These farm invasions, with their violence, disregard for property rights and democratic values and abrogation of the rule of law, strained relations with traditional partners in the West, particularly the UK, the US, the EU, and Commonwealth countries such as Australia, Canada and New Zealand. Various restrictive measures and sanctions were applied to Zimbabwe as a result.

Mugabe railed against the sanctions imposed by the EU and US at every opportunity, increasing his invective and brinkmanship through the evolution of the political crises in the 2000s. This – and an unending string of controversial elections – served to simultaneously isolate Zimbabwe from the West, while drawing it closer to states offering an alternative. These included China, Iran, Libya, North Korea, Russia and Venezuela.

The economy, and particularly the agricultural and manufacturing sectors, began to deteriorate, political repression by state forces increased, and millions of Zimbabweans fled the country, raising tensions with its neighbours. Along with countries like the UK, South Africa was the recipient of several hundred thousand migrants – both legal and illegal – from its northern neighbour.<sup>2</sup>

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<sup>1</sup> Signed on 21 December 1979, the Lancaster House Agreement halted the Rhodesian Bush War and set the conditions for the independence of Zimbabwe.

<sup>2</sup> There are no definitive, accurate figures on the number of Zimbabweans in South Africa. Fact-checking service Africa Check was unable to find sufficient evidence to corroborate claims of ‘millions’ of migrants, and called the numbers ‘unreliable’. See Sintha Chiumia, ‘How Many Zimbabweans Live in South Africa? The numbers are unreliable.’

After the violence-marred 2002 elections, Zimbabwe withdrew from the Commonwealth in 2003 as its membership was set to be suspended as a result of the democratic backsliding in the country. It subsequently turned increasingly against the West, with Mugabe repeatedly excoriating George W. Bush and Tony Blair through fiery anti-imperialist, Pan-Africanist rhetoric. Mugabe announced a 'Look East' foreign policy, centred mainly on China, while also promoting ties with India, Indonesia, Iran, Malaysia, Pakistan, Singapore and Thailand – countries that would presumably be less overtly concerned about democracy and human rights in Zimbabwe.

South Africa, under President Thabo Mbeki (1999–2008), followed a policy of 'quiet diplomacy' toward Zimbabwe, preferring dialogue with the Zimbabwean government to push for reforms behind closed doors rather than in public. This approach was heavily criticised by the West, who saw it as ineffective and playing into the undemocratic machinations of ZANU PF and Mugabe.

Yet another election riddled with irregularities and rigging in March 2008 saw the MDC gaining control of parliament and its leader Morgan Tsvangirai winning the presidential race, but he was deemed not to have enough votes to prevent a run-off election (a claim hotly disputed by the MDC). A campaign of government-orchestrated political violence swept through Zimbabwe, causing many deaths and injuries, intimidating the opposition and leading Tsvangirai to withdraw from the flawed run-off election that Mugabe won easily. Mbeki played a crucial mediatory role on behalf of SADC, and convinced the parties to enter a power-sharing arrangement (the Global Political Agreement) from 2009

to 2013. This managed to halt runaway inflation in Zimbabwe, stabilise the economy and somewhat restore the tattered relations with the West. The appointment of the MDC's Tendai Biti as Finance Minister allowed for constructive re-engagement with Zimbabwe's creditors.

ZANU PF won the 2013 elections (again widely considered suspect) convincingly and the MDC was relegated to the opposition benches once more. These elections further soured relations between ZANU PF and the MDC, and social cohesion deteriorated.

The threat of former First Lady Grace Mugabe ascending to power within an increasingly fractured ZANU PF, and the demotion and planned arrest of then Vice President Emmerson Mnangagwa, against the backdrop of the ailing health of President Mugabe, resulted in the military springing into action to effect the political transition to Mnangagwa in November 2017. This controversial 'coup that was not a coup' elicited little condemnation from anywhere. While the African Union (AU) and SADC have ruled unconstitutional changes of government unacceptable in Africa, and the military and ruling party in Zimbabwe went to great pains not to call the change of regime a coup, there was widespread sentiment that it was time for Mugabe to leave the political stage after 37 years in office.<sup>3</sup>

Following the coup, there was palpable hope that the political and economic situation in Zimbabwe would change – rapidly – for the better. Mnangagwa was seen as the strongest heir apparent by foreign governments from South Africa to China to the UK, even if he had been Mugabe's right-hand man during the worst excesses of his rule.

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<sup>3</sup> See Brian Raftopoulos, 'Zimbabwe: Regional Politics and Dynamics', Oxford Research Encyclopaedia of Politics, March 29, 2019.



Mnangagwa declared that ‘Zimbabwe is open for business’ and committed to sweeping economic and political reforms under his administration. International observers were invited for the 30 July 2018 elections for the first time in over a decade, and it seemed Western countries were prepared to give Mnangagwa the benefit of the doubt and restore normal relations with a reasonably peaceful free and fair poll.

These expectations were all irrevocably dashed on 1 August 2018. Although the pre-election period and the election itself proceeded peacefully, demonstrations against the announcement of a Mnangagwa win over the MDC Alliance’s Nelson Chamisa quickly turned violent. Six people were shot dead by army troops using live ammunition in Harare, with scores more injured.

This heavy-handed repression by the state derailed the normalisation of ties. A Western diplomat put it starkly: ‘Zimbabwe can forget about Western assistance if soldiers are deployed for crowd control.’<sup>4</sup> The election was a litmus test for the new Zimbabwe, which it almost passed, but ultimately failed.

Zimbabwe’s economy has continued to deteriorate, with foreign currency shortages, soaring inflation, chronic electricity outages, water delivery

interruptions, fuel shortages and an enormous informal sector.<sup>5</sup> Demonstrations against a precipitous petrol price hike in January 2019 led to riots, causing a vicious crackdown on dissent by the security forces, many deaths and injuries and the shutdown of the Internet. Doctors and teachers embarked on protracted strikes.<sup>6</sup>

The year 2019 has also seen a sharp increase in the brazen and violent harassment and arrest of civil society activists and journalists by the government. Some were held in the notorious Chikurubi Prison and tortured. This has served to intimidate those opposing the Mnangagwa regime and has drawn comparisons with the worst excesses of Mugabe. Civil society has been weakened, facing significant funding constraints and leadership issues, and the crackdown by the state, leading to self-censorship. Some calls for demonstrations by the opposition have not been successful. There are also serious claims of infiltration by the state of the opposition, civil society and social movements.<sup>7</sup> Memories of the 2008 violence has left its scars; one interviewee said: ‘They just need to “rattle the matchbox” – the trauma lives on.’<sup>8</sup>

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4 Interview with Western diplomat, August 1, 2019.

5 ‘Zimbabwe faces its worst economic crisis in a decade’, *The Economist*, August 15, 2019.

6 Joseph Cotterill, ‘Twelve killed in Zimbabwe fuel protest crackdown’, *Financial Times*, January 19, 2019.

7 Interview with civil society activist, 29 July 2019.

8 Interview with Western diplomat, 30 July 2019.

# Political Developments



## The 2018 elections and their aftermath

There was much optimism that a brighter future lay ahead for Zimbabwe under Mnangagwa, despite his decades-long closeness to Mugabe and his involvement in some of Zimbabwe's most egregious human rights excesses. The ousting of Mugabe in November 2017 opened a window of opportunity for rapid, bold reforms, with high expectations from the population and the international community alike. There was a palpable sense of hope.

With his slogan 'Zimbabwe is open for business', Mnangagwa indicated that he would seek to reform Zimbabwe politically and economically. This sought to resuscitate the damaged brand of Zimbabwe in the eyes of the West in particular, signalling openness and engagement and calling directly for investment. Mnangagwa thus embarked on a regional and international charm offensive to gain legitimacy and acceptance.

He spoke of compensation for farmers dispossessed in the land reform process (but did not reverse that policy). Zimbabwe's notorious indigenisation law which forced all businesses to have 51% black Zimbabwean ownership was scrapped, except for certain minerals and he also mentioned extensive law reforms to comply with the 2013 Constitution.

A lot was riding on the 2018 elections – everyone seemed to want them out of the way peacefully in order to reset strained relations and move Zimbabwe forward. As Raftopoulos put it: 'For both the EU and the US any further economic

reengagement with a new dispensation would largely depend on the credibility of the elections.'<sup>9</sup>

Between November 2017 and July 2018, a definite sense of increased personal freedom prevailed. Political parties were able to campaign relatively freely before the 30 July 2018 poll compared to previous elections and received greater (but far from equitable) media coverage. Minor reforms were undertaken by the Zimbabwe Electoral Commission (ZEC) such the introduction of biometric voter registration. Major electoral reforms, as demanded by the opposition and the international community, were not, however, implemented.

International election observation missions were welcomed to show off Zimbabwe's new openness, including from the EU, the US and even the Commonwealth (a quite unusual occurrence as Zimbabwe is a non-member), in addition to familiar missions from the AU, SADC, the Common Market for East and Southern Africa (COMESA) and bilateral embassies. This signalled an acceptance of (limited) scrutiny as further evidence of a reformed Zimbabwe.

According to Beardsworth et al., in the elections 'ZANU PF achieved the "sweet-spot" of competitive-authoritarian elections, allowing just enough freedom to make them appear credible but not enough to risk losing'.<sup>10</sup> They add: 'In an effort to legitimise his undemocratic rise to power, Mnangagwa positioned himself as the "change" candidate and resorted to a mix of political theatre and soft reforms to endear himself

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<sup>9</sup> Raftopoulos, 'Zimbabwe: Regional Politics and Dynamics' p 19.

<sup>10</sup> Nicole Beardsworth, Nic Cheeseman and Simukai Tinhu, 'Zimbabwe: The coup that never was and the election that could have been,' *African Affairs*, 118, no. 472, (2019), 4.

to both Zimbabweans and the international community.<sup>11</sup>

The election was, however, marred by deaths and injuries resulting from the army's violent repression of protests on 1 August 2018 against the results mentioned above. A ZANU PF official said: 'The post-election violence was a drawback to investor perceptions of reform and transformation. It was instigated by opposition. This is a problem across Africa, where parties refuse to accept defeat after election losses. I am happy that most observers concluded the elections were peaceful, free and fair and therefore the results were credible.'<sup>12</sup>

One diplomat said in this regard, 'I'm not sure if the elections would have been enough to restore ties fully. They were necessary but not sufficient. Also needed are political and economic reforms and constitutional alignment.'<sup>13</sup>

The election – however flawed – represented a high point of Western outreach to the Zimbabwean government. It created the conditions to potentially rebuild society. But hopes of real change and deeper re-engagement were rapidly cut short with the post-election violence. As one diplomat said, 'The window of opportunity has been squandered already'.<sup>14</sup>

## The current state of play

Initially, Zimbabwe's external partners were hopeful that the largely peaceful departure of Mugabe signalled the start of a change towards a more open, democratic system, better human

rights and fundamental improvements in the economy. However, this dissipated with the violence that followed the elections and the lack of tangible reform. This also negatively affected Zimbabwe's international re-engagement.

One interviewee stated: 'The mood is much lower than a year ago. Before the elections everyone thought they would restore legitimacy and set the path for recovery and upliftment. This has not happened.'<sup>15</sup>

According to the African Development Bank:<sup>16</sup>

The fiscal deficit was an estimated 10.7% of GDP in 2018, compared with 12.5% of GDP in 2017, financed mainly through domestic borrowing. In 2018, the government proposed addressing the unsustainable budget deficit with strong fiscal consolidation measures. The fiscal deficit was driven mainly by election-related spending, civil servant salary increases, and transfers to the agricultural sector. Total external debt was an estimated 45.3% of GDP in 2018, down from 53.8% in 2017. The current account deficit was an estimated 3.7% of GDP in 2018, with merchandise imports continuing to exceed exports, putting pressure on the supply of urgently needed foreign exchange and making it critical to diversify exports. The country's protracted fiscal imbalances have constrained development expenditure and social service provision, undermining poverty reduction efforts. Unemployment pressures have been mounting as employment opportunities continue to dwindle ... Policy-related macroeconomic instability; lack of funding, land tenure,

11 Beardsworth, Cheeseman and Tinho, 'The coup that never was', 5.

12 Interview with ZANU PF politician, July 31, 2019.

13 Interview with Western diplomat, July 30, 2019.

14 Interview with Western diplomat, August 1, 2019.

15 Interview with civil society activist, July 29, 2019.

16 African Development Bank, Zimbabwe Economic Outlook, Africa Economic Outlook 2019, <https://www.afdb.org/en/countries/southern-africa/zimbabwe/zimbabwe-economic-outlook>

and investment regulations; high input costs and outdated machinery; inefficient government bureaucracy; and inadequate infrastructure (particularly energy) remain key challenges for private sector development.

... The high and unsustainable debt-to-GDP ratio; the high fiscal deficit; the cash shortages, three-tier pricing, and limited availability of foreign exchange, which continue to constrict economic activity; and the persistent shortage of essential goods, including fuel and consumer goods, remain the major headwinds for any meaningful economic recovery.

An opposition politician characterised the problems as follows:<sup>17</sup>

Where is Zimbabwe today? Nowhere. Back to square zero, nothing functions, there is no reform, massive currency devaluation, anxiety, frustration, anger. We have never been in this dark place. We don't have power 18 hours a day! The middle class can't get its own money from the bank, we are heading for the hyperinflation of 2006–2008, and human rights are deteriorating day by day. There is going to be an implosion – a coup? Protests? People will be shot by an over-zealous military. Zimbabwe has never been so fragile or vulnerable.

The fact that Mnangagwa fled the country before the coup, fearing for his life, points to the fractured nature of the ruling elite. The prominence of ex-military figures in the new cabinet further highlights the dominance of the military in the new administration. Contestation between

military and civilian leaders makes Zimbabwe's transition difficult to manage and raises questions about where power really lies.

A journalist noted the erratic trajectory of policy reform: 'The road travelled is bumpy – a mixture of attempts to reform, and actions undermining them. There is improvement, but it's not as far as needed and there is much confusion from mixed messages.'<sup>18</sup>

Of all the interviews conducted, only a deputy minister in the government asserted that conditions were better now than a year ago.

Diplomats spoke of being unsure whether reform attempts are sincere, or just portraying a veneer of reform to ensure regime survival for ZANU PF, given the entrenched vested interests at stake. A common refrain from members of the diplomatic corps interviewed was that change in Zimbabwe will take longer than many expected after the ousting of Mugabe. Many referred to Zimbabwe as a 'country in transition', one that would experience reversal and setbacks over many years, as it tries to consolidate its relations with other countries. One said: 'We were naïve that all of a sudden everything would change with the departure from office of Robert Mugabe.'<sup>19</sup>

Zimbabwe is in the midst of a stalled transition. Society is polarised between ZANU PF and the MDC, and resentment and pressure are building. The governing elite is also regarded as difficult to penetrate and some elements within it are happy to resort to violence. This makes any successful opposition action very difficult. One of the things that the international community needs

<sup>17</sup> Interview with MDC politician, July 29, 2019.

<sup>18</sup> Interview with journalist, August 1, 2019.

<sup>19</sup> Interview with Western diplomat, August 1, 2019.

to consider carefully is how to support spaces for genuine dialogue.

As one Western diplomat said: ‘We have to accept that change will take a long time and stay engaged, be able to absorb shocks, continue to strive to normalise relations. These have improved with the Ministry of Foreign Affairs, we keep communication lines open, nudge them forward, identify pockets of reform and strengthen them. We also engage the opposition and civil society.’<sup>20</sup>

## Re-engagement with the West and the theatre of reform

Chatham House analysts have urged the government of Zimbabwe to adopt a long-term frame of reference:

The government in Harare should recognise that it has an opportunity to normalise its international partnerships and rebuild its regional economic relevance for the long term, rather than viewing re-engagement with the West and the IFIs [International Financial Institutions] as principally a short-term fundraising project to save ZANU PF.<sup>21</sup>

They add: ‘The long-standing external – particularly Western – perception of ZANU PF as intransigent and dysfunctional endures ... and ... reform may ultimately remain hostage to party dynamics.’<sup>22</sup>

After years of disengagement and antipathy, better relations with Western embassies, aid

agencies and their capitals represent progress. Pigou notes, however:<sup>23</sup>

Critics suggest this approach may have enabled ZANU PF to play the theatre of reform without in fact addressing the fundamental problems related to its political dominance of the state, the systemic challenges of corruption and patronage politics. Some harshly suggest the purveyors of constructive engagement have naively enabled ZANU PF’s longevity, and that the new approach veers dangerously towards appeasement.

Pigou sums up a common view of the Mnangagwa government: ‘The administration is akin to a new driver in an old taxi. Many see the government simply as a reconfiguration of the ZANU PF, now freed from Mugabe but dominated by security-sector interests and factions aligned to the new president.’<sup>24</sup> In line with a widely held perception heard during the fieldwork, Pigou adds: ‘Half-hearted commitments leave many believing the reform agenda is in many respects a charade and that limited progress to date reflects a lack of genuine commitment from the government.’<sup>25</sup>

Another diplomat said candidly: ‘It’s hard to conclude there is a real change of mindset to embrace reform – ZANU PF remains firmly in control of all the main levers of power.’<sup>26</sup>

20 Interview with Western diplomat, August 1, 2019.

21 Knox Chitiyo Alex Vines and Christopher Vandome, ‘The Domestic and External Implications of Zimbabwe’s Economic Reform and Re-engagement Agenda,’ (Research Paper, Chatham House, London, September 2016), 43.

22 Chitiyo, Vines and Vandome, ‘Domestic and External Implications’, 25.

23 Piers Pigou, ‘Zimbabwe’s Reforms: An Exercise in Credibility – or pretence?’ (Southern Africa Report, Issue 6, Institute for Security Studies, Pretoria, 2016), 5. <https://issafrica.s3.amazonaws.com/site/uploads/sareport6-2.pdf>

24 Piers Pigou, ‘Revolt and Repression in Zimbabwe’ (International Crisis Group Q&A, 2019), <https://www.crisisgroup.org/africa/southern-africa/zimbabwe/revolt-and-repression-zimbabwe>

25 Pigou, ‘Zimbabwe’s reforms’, 18.

26 Interview with Western diplomat, July 31, 2019.

## Legislative reform

Doubts about the government's sincerity play out in legislative reform. There have been sustained calls to align Zimbabwean laws to the relatively progressive 2013 Constitution. Two pieces of Zimbabwean legislation have received considerable attention – the Access to Information and Protection of Privacy Act (AIPPA) and the Public Order and Security Act (POSA). Both are at the centre of legislative changes demanded by the opposition and Western governments. There has been much talk about their repeal and replacement, but the process has moved very slowly and haphazardly, and the new replacement bills have been heavily criticised.

One ZANU PF official said:

We have introduced reforms meant to democratise and transform from an autocratic government to a people-centred one. We seek to improve the democratic space, through the repeal of some laws regarded as draconian by opposition parties. AIPPA and POSA will be replaced by more liberalised and less restrictive laws. This is a very positive development – it will promote opposition activity because they no longer can be arrested for their opinions.<sup>27</sup>

Reform of AIPPA has been spearheaded by the Ministry of Information. The first of three bills on freedom of information has been gazetted. However, civil society activists objected because their comments on an earlier version were ignored, and many felt it did not address the

fundamental flaws of AIPPA adequately.<sup>28</sup>

The draft for the Maintenance of Peace and Order Bill (MOPA), the replacement for POSA, appeared in May 2019. Stakeholders complained that it was poorly drafted and that there had been insufficient consultation. There was a strong pushback from civil society with some feeling that the reform was merely a box-ticking exercise.<sup>29</sup> Permission still needs to be sought for demonstrations and meetings, and human rights defenders are poorly protected.<sup>30</sup> MOPA was passed by parliament and assented to by Mnangagwa in November 2019,<sup>31</sup> despite strong opposition from the opposition and civil society organisations. However, it would appear that it failed its first democratic test when police used extreme violence to disperse MDC members who had gathered to listen to their leader at the party's headquarters in the Harare city centre in November 2019.

The sincere and successful reform of POSA and AIPPA into more reasonable and democratic laws would send a strong signal to Western capitals about the government's seriousness about change. The diplomatic community could support those groups demanding better legislation, thereby widening civic space. It could also bolster parliament's legal drafting department through training and technical support to help draft more effective laws. It will have to decide what is the right amount of pressure to apply. 'We need to be honest that not enough has been done,' said one Western diplomat. 'But if you turn the wheel too far it can come off!'<sup>32</sup>

27 Interview with ZANU PF politician, July 31, 2019.

28 Interview with Western diplomat, July 2019.

29 Interview with Western diplomat, July 2019.

30 Interview with Western diplomat, August 2019.

31 Farirai Machivenyika, 'MOPA, 2 other laws come into effect', The Herald, November

23, 2019, <https://www.herald.co.zw/mopa-2-other-laws-come-into-effect/>

32 Interview with Western diplomat, July 2019.

## Trust and confidence

Analysts assert that Zimbabwe's reintegration is hampered by trust and confidence deficits: '... reform and re-engagement are taking place in a low-trust environment. International and domestic confidence in the government is fraying, and planned reforms need to be turned from rhetoric into action to rebuild this confidence.'<sup>33</sup>

Trust and confidence in Zimbabwean society are critical factors holding back any successful transformation in the country. Afrobarometer research seems to indicate that 'Zimbabweans are cautious about interpersonal interaction. Only 10% say "most people can be trusted". The remainder (89%) think that citizens should be "very careful in dealing with people".<sup>34</sup> The same research put the church as far and away the most trusted institution. Zimbabwe remains a highly polarised society, with distinct 'pro-government' and 'pro-opposition' camps.

A recurring theme in the fieldwork interviews confirmed a profound lack of trust between the various sectors of society in Zimbabwe, and between the country and the international community. This has had detrimental effects on Zimbabwe's international relations. One interviewee put it this way: 'Of all the things we lack in Zimbabwe – cash, fuel, water – the biggest shortage of all in Zimbabwe is trust.'<sup>35</sup>

To illustrate this point, following the August 2018 killing of civilians by Zimbabwe's military, Mnangagwa set up a commission of inquiry to investigate and come up with recommendations.

Despite being headed by the much respected former president of South Africa, Kgalema Motlanthe, this was seen as 'the president's project'. It was further criticised for having a member of the ruling ZANU-PF party as one of the commissioners. The commission came up with some good recommendations, but this did not improve trust. Further, none of these recommendations have been implemented, giving credence to claims that this was a window-dressing exercise. A civil society activist said: 'Zimbabwe has an accumulation of fear – added to this was August 2018 and January 2019. There is no accountability, no one was arrested... It [the Motlanthe Commission] was an attack on the opposition and laid all the blame on them.'<sup>36</sup>

In November 2019, South African Minister for International Relations and Cooperation, Naledi Pandor, commented on the divisions in Zimbabwe and how they are hampering its foreign interactions. Zimbabweans are unable to speak with one voice to external actors. Minister Pandor had this to say:<sup>37</sup>

Political formations in Zimbabwe remain at loggerheads and have apparent deep antipathy towards each other, which makes joint decision-making and planning extremely difficult ... We would be assisted in playing a positive role if there was a shared notion in Zimbabwe of what had to be done. This is important for us because while we work very closely with the government of Zimbabwe, it would be difficult for us to be seen as only working with the government

33 Chitiyo, Vines and Vandome, 'Domestic and External Implications', 4.

34 Michael Bratton M and Eldred Masunungure, 'Heal the beloved country: Zimbabwe's polarized electorate,' (Policy Paper no. 49, Afrobarometer, September 2018), 2.

35 Interview with international financial institution, August, 2019.

36 Interview with civil society activist, July, 2019.

37 Siviwe Feketha, 'Political hostility dogs Zimbabwe, says Pandor', Independent Online, November 19, 2019, <https://www.iol.co.za/news/politics/political-hostility-dogs-zimbabwe-says-pandor-37445924>



There is also consensus that all stakeholders must come together to solve Zimbabwe's multiple crises. There needs to be unity at home before the country can achieve success abroad: 'Zimbabwe's international re-engagement needs to complement a national re-engagement between its people.'<sup>38</sup>

Commenting on the reforms, Chatham House analysts further argued that:<sup>39</sup>

Progress depends on confidence. Monetary measures, legal reform, fiscal consolidation and initiatives to improve the business environment will only be successful if all stakeholders, both domestic and foreign, are committed to them, and that will come down to whether or not they trust the government in Harare. Government rhetoric needs to be followed up with measurable actions if it is to win the critical confidence of citizens, investors and international political actors.

Trust is easy to lose but hard to build, especially with the ruling party's track record and a polarised citizenry. Pigou comments that <sup>40</sup>

... widespread cynicism of ZANU PF's commitments remains, grounded in years of false promises and duplicity, highlighting the

profound trust deficit that ZANU PF refuses to even acknowledge. Is an authentic engagement possible if ZANU PF is unwilling to invest in generating confidence, and those supporting an ostensible reform agenda reflect on shortcomings only in hushed tones?

The 2013 Constitution established the National Peace and Reconciliation Commission (NPRC). Its purpose is to 'ensure post-conflict justice, healing and reconciliation, including developing programmes that promote national healing, unity and peaceful conflict resolution'.<sup>41</sup> Many interviewees confirmed the need for national healing but agreed that the NPRC has been very slow to move, rather meek and timid, and in the current political climate has no appetite to investigate the serious human rights violations of the past. One interviewee noted that it took five years for it to develop a strategic plan and that it lacks capacity resources.<sup>42</sup> Another confirmed its peacebuilding mandate but noted that it was not set up like South Africa's Truth and Reconciliation Commission, with amnesty and judges.<sup>43</sup>

The international community can work to strengthen institutions like the NPRC, which could provide a pathway to greater legitimacy and restoring trust in Zimbabwe's institutions. This could be done by supporting civil society organisations working in the justice sector and the NPRC itself.

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38 Chitiyo, Vines and Vandome, 'Domestic and External Implications', 5.  
39 Chitiyo, Vines and Vandome, 'Domestic and External Implications', 45.

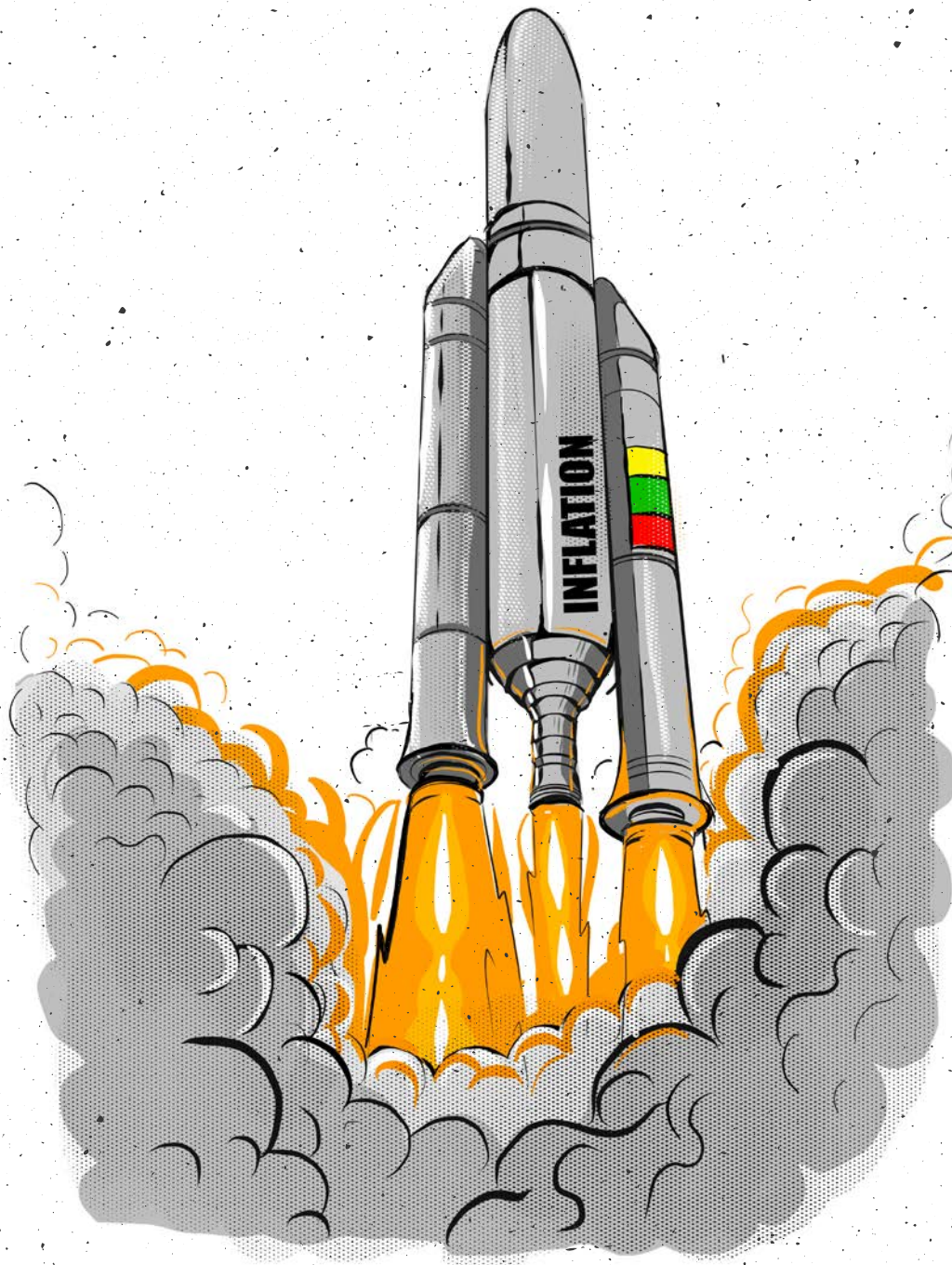
40 Pigou, Zimbabwe's Reforms, 16.

41 The National Peace and Reconciliation Commission (NPRC), <http://www.nprc.org.zw/about-us/overviews>

42 Interview with civil society activist, July 29, 2019.

43 Interview with journalist, August 1, 2019.

# Zimbabwe's Economy



Zimbabwe's economy has been spiralling in a downward trajectory for over two decades. Failing International Monetary Fund (IMF) structural adjustment reforms began to put pressure on the economy in the late 1990s, but it was only with the forced removal of white farmers in 2001 that Zimbabwe was catapulted towards crisis. Mugabe presided over Zimbabwe's collapse and his brash anti-Western politics isolated the country from the international community. Following the November 2017 coup, the brief optimism that the country would transform itself in the post-Mugabe era quickly dissipated. Citizens and the Mnangagwa government have had to come to grips with how deep and systemic many of the economic issues are – and indeed how integrated they are with the political problems in the country.

For its part, the Zimbabwean government under Mnangagwa's leadership has proposed a multi-pronged economic strategy that is aimed at stabilising the economy by reducing government expenditure and expanding its tax base to the informal sector; promoting the country's productive capacity and implementing currency reforms aimed at regulating the money supply and interest rate, as well as curbing inflation.<sup>44</sup>

However, profound uncertainty and unfavourable international economic conditions still undermine Zimbabwe's economic trajectory. A Zimbabwean-based economist observed that the country is now experiencing an 'ideological flux' where the 'old guard' position of the state being in command of the economy is changing in orientation.<sup>45</sup> The Zimbabwean government is trying shift away from this centralisation to become more open – but this economic transition

is not easy, given the preponderance of 'old guard' thinking and entrenched vested interests.

Decades of misrule and maladministration have left Zimbabwe's economy in tatters. High volatility in the economy causes uncertainty, scaring off already cautious investors. IMF data puts the country's real GDP growth at -5.2% – indicating a country in rapid decline.<sup>46</sup>

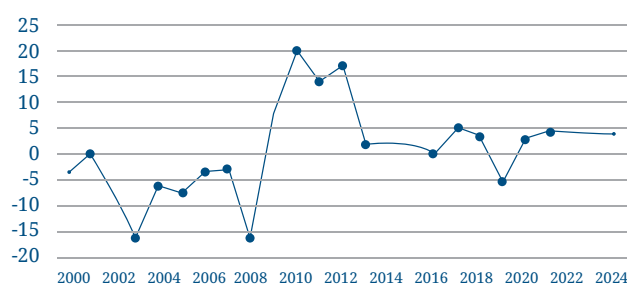


Figure 1: GDP percentage change IMF

Source: International Monetary Fund, Data Mapper, [https://www.imf.org/external/datamapper/NGDP\\_RPCH@WEO/OEMDC/ADVEC/WEOWORLD/ZWE](https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/OEMDC/ADVEC/WEOWORLD/ZWE) Accessed 30 September 2019

History plays an important role in perpetuating the current economic challenges in the country. The economic meltdown in 2008, which resulted in record hyperinflation and led to the abandonment of the Zimbabwean dollar, has left an indelible mark on the economic fabric of the country. This past is proving difficult for the government to overcome, especially in the wake of its February 2019 announcement that it was abandoning the multicurrency system in favour of the Real Time Gross Settlement (RTGS) dollar, which is accepted as the return of the Zimbabwean dollar. Outlawing the use of the US dollar and other currencies later in the year has not been able to solve the economic crisis. For their part, investors remain wary of a repetition of the

44 Interview with government official, July 31, 2019.

45 Ringisai Chikohomero, (presentation, ISS Seminar on Economic Situation in Zimbabwe, Pretoria, 30 August 30 2019.

46 International Monetary Fund, IMF Data Mapper, [https://www.imf.org/external/datamapper/NGDP\\_RPCH@WEO/OEMDC/ADVEC/WEOWORLD/ZWE](https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/OEMDC/ADVEC/WEOWORLD/ZWE)

events preceding 2008 when they were forced into controversial indigenisation policies and were unable to repatriate profits –ultimately losing both business and money.

## Inflation

Fears of a worsening of the currency crisis are surfacing once again, as updated IMF figures show that inflation soared to 300% in August 2019. Inflation, fuelled mainly by cash shortages, forced the government to suspend cash transactions using mobile money services in October 2019. In 2018, 85% of retail transactions took place via mobile money services and while reliance on this system has extended financial inclusion to many previously ‘unbanked’ Zimbabweans, persistent fuel shortages are threatening its sustainability, with potentially catastrophic effects on the economy.<sup>47</sup>

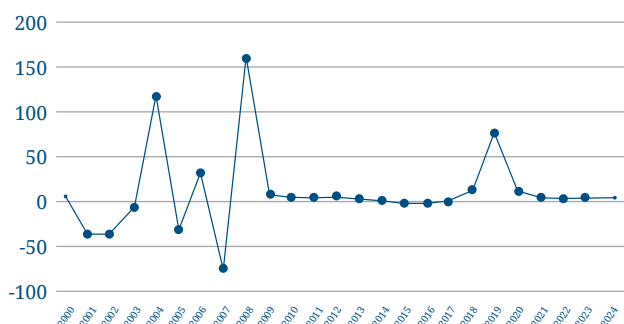


Figure 2: Inflation, average consumer prices (% change)

Source: International Monetary Fund, “Zimbabwe”,

<https://www.imf.org/en/Countries/ZWE>,

Accessed 30 September 2019

The announcement that Zimbabwe once again has the highest inflation figures in the world is

reminiscent of the 2008 currency crisis. Policy uncertainty fuels this currency volatility as no one is sure how the government will react to the currency shortages. While it may claim that it will not resort to printing more money, its frequent backtracking on positions does not engender trust.<sup>48</sup>

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Fears of a worsening of the currency crisis are surfacing once again,

An opposition politician bluntly outlined the government’s core economic woes as caused by a deficit of trust. In a public social media post, he said:<sup>49</sup>

They (government officials in the Finance Ministry and the Reserve Bank) don’t understand that the key ingredient behind business confidence and monetary stability comes down to one word – trust. This is a regime which has totally squandered whatever trust people had for it by shooting innocents in the streets, abducting and torturing doctors & teachers and looting the fiscus on an unprecedented scale. The economists advising these institutions have also fallen into the trap of thinking that one can apply economic theory in a vacuum. The problem is one cannot manipulate trust.

This rebuke serves as a warning to Mnangagwa’s government, which has declared Zimbabwe

47 David Whitehouse, ‘Zimbabwe’s EcoCash woes show dangers of early reliance on mobile money’, The Africa Report, September 9, 2019, <https://www.theafricareport.com/17027/zimbabwes-ecocash-woes-show-dangers-of-early-reliance-on-mobile-money/>; Farai Shawn Matiashe, ‘A power outage and mobile money blackout expose the vulnerability of Zimbabwe’s economy’, Quartz, July 21, 2019, <https://qz.com/africa/1671195/zimbabwe-power-blackout-hits-ecocash-vulnerable-economy/>

48 A stark example of this is that when the government introduced the Bond Note in September 2016, it vowed that this was not going to be used as a way to reintroduce the Zimbabwean dollar.

In 2019, the bond note was declared legal tender and the RTGS dollar was reintroduced.

49 Facebook post, September 20, 2019, <https://www.facebook.com/photo.php?fbid=10156773009297613&set=a.10150198138407613&type=3&theater>

‘open for business’<sup>50</sup> and expressed the ambition of achieving middle-income country status by 2030.<sup>51</sup> South African government officials echoed the sentiments about trust, arguing that Zimbabwe was wrong to believe that it would achieve policy stability through policy experimentation alone.<sup>52</sup> A representative of an international financial institution said, ‘Zimbabwe may be open for business, but the first thing an investor asks is how he can get his money out. And people cannot run businesses without electricity, or by spending half a day getting money out of banks or in a fuel queue.’<sup>53</sup>

During this research, many interviewees in Harare in July and August 2019 expressed concerns that, following the completion of its Staff Monitored Programme (SMP) agreed with the IMF by March 2020, the government would revert to seeking international lines of credit without a genuine commitment to development. This would perpetuate the rent-seeking behaviour for which Zimbabwe has become infamous. Whether or not this perception is accurate is irrelevant; it manifests in a material lack of support for the regime.

## Debt

Most pressing among the challenges to the economy is the legacy of debt to be addressed before Zimbabwe has access to international lines of credit. Zimbabwe’s current public debt burden exceeds \$9.5 billion.<sup>54</sup> A fuller picture is just as bleak. According to an AFRODAD report, in 2017 the total outstanding debt stock for Zimbabwe

was \$17 billion (comprising 75% of the country’s GDP), with approximately \$7.5 billion being external debt.<sup>55</sup>

Clearing its debt is of paramount importance to the country. To illustrate its seriousness about reforms, the government has entered into an SMP with the IMF. Completing the SMP by March 2020 is a necessary precondition for approaching the Paris Club of creditors for debt relief – and as a member, the US position regarding Zimbabwe will be an important signal for other potential bilateral creditors.<sup>56</sup>

Zimbabwe’s outstanding debt to the South African power utility Eskom has also been a bone of contention between the two countries. In July 2019, Zimbabwe’s Energy Minister, Fortune Chasi, tweeted proof of payment of \$10 million to Eskom, in a show of good faith that it would address the overall \$33 million debt owed to Eskom by the Zimbabwe Electricity Supply Authority. One diplomat observed that Zimbabwe’s continued failure to pay off its electricity debt to South Africa has hampered its chances of expecting a more substantial financial bailout.<sup>57</sup> South African officials corroborated this, stating that at the Bi-National Commission (BNC) that took place in April 2019, Zimbabwe’s president and finance minister were both encouraged by South Africa to ‘get Zimbabwe’s fundamentals right’ – indicating that some pressure is being exerted behind closed doors by South Africa contrary to public perception.<sup>58</sup>

50 Forbes Africa, ‘Zimbabwe Open for Business’, August 2018, <https://www.forbesafrica.com/brand-voice/2018/07/29/the-jewel-of-africa/attachment/open-for-business-zimbabwe/>

51 Forbes Africa, ‘Zimbabwe Open for Business’, 3.

52 Interview with South African government official, August 22, 2019.

53 Interview with international financial institution, August 1, 2019.

54 African Forum and Network on Debt and Development (AFRODAD), ‘Zimbabwe debt profile 2018’, <https://www.africaportal.org/publications/zimbabwe-debt-profile-2018/>

55 Afrodad, ‘Zimbabwe debt profile.’

56 Other members of the Paris Club include Australia, Austria, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, Ireland, Israel, Italy, Japan, the Netherlands, Norway, the Russian Federation, South Korea, Spain, Sweden, Switzerland and the United Kingdom.

57 Interview with non-Western diplomat, July 31, 2019.

58 Interview with South African diplomat, July 31, 2019; interview with South African government officials, August 22, 2019.

## Trade

Trade figures sourced from ITC Trademap in September 2019, indicating Zimbabwe's top-five export destinations, reveal an unsettling anomaly. Predictably, South Africa is the top destination for Zimbabwe's trading goods, with the region (Zambia and Mozambique) trailing the United Arab Emirates (UAE). Interestingly, however, the figures show that 14.74% of exports is unspecified. This represents a substantial portion of Zimbabwe's exports – considering that it is the third-largest category after South Africa and the UAE. This hints at a lack of transparency in the government's public finance management systems and the proliferation of parallel markets and rampant kleptocracy.

Figure 3: Value of Zimbabwean exports, 2018  
Source: ITC Trademap Database, [www.trademap.org](http://www.trademap.org), Accessed 30 September 2019

Figure 4: Zimbabwe exports 2018 (% of total)  
Source: TradeMap Database, [www.trademap.org](http://www.trademap.org), Accessed 30 September 2019

### Impediments in the business environment

Zimbabwe's foreign affairs and international trade and investment have been hampered by perennial policy uncertainty,

Figure 4: Zimbabwe exports 2018 (% of total)

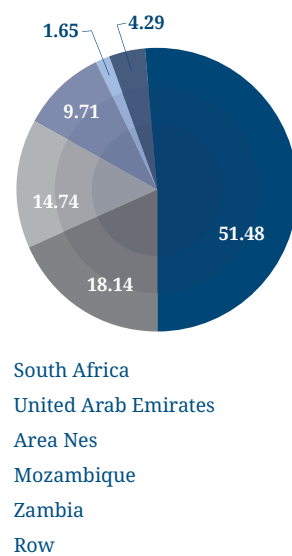
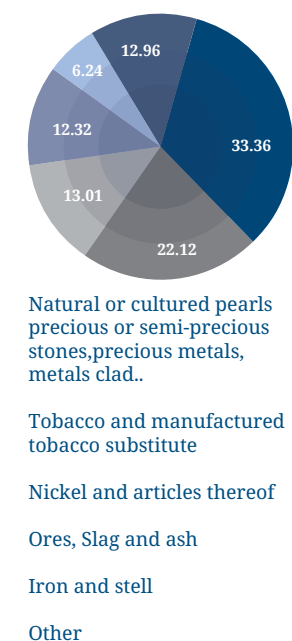


Figure 4: Zimbabwe exports 2018 (% of total)



violation of bilateral investment protection agreements, and the restructuring of the economy away from its traditional dependence on mining. Zimbabwe has increasingly become a patrimonial and predatory state, which has informed the way the ruling elites have negotiated with both local and international business. Mining has consistently enjoyed interest from prospective investors, and it makes up a significant portion of the country's exports (33.3%). Tobacco exports, in contrast, account for just over 22%. Yet, a proliferation of mine invasions has started to increase risks to investments in this sector. Artisanal miners, purportedly aligned to ZANU PF youth, have continued to invade mines in Kwekwe, despite recent court orders prohibiting them from doing so.<sup>59</sup> This is a further indication of the fractured nature of the political environment and the limits of the state.

Attempts have been made by the government to root out corruption through the establishment of the Zimbabwe Anti-Corruption Commission (ZACC) in 2004, and the Special Anti-Corruption Unit established in May 2018 to work with the ZACC. However, it has been widely criticised

<sup>59</sup> The Standard, 'Unmasking machete terror gangs spreading mayhem in the Midlands', April 7, 2019, <https://www.thestandard.co.zw/2019/04/07/unmasking-machete-terror-gangs-spreading-mayhem-midlands/>, Accessed 30 September 2019

for only targeting political opponents of the regime. This includes opposing factions within ZANU PF. In early August 2019, Tourism Minister Prisca Mupfumira (known to be a member of an anti-Mnangagwa faction) was arrested and accused of ‘misusing’ about \$94 million of state funds. Later in the same month, the ZACC accused former vice president Phelekezela Mphoko of unlawfully ordering junior police officers to release a senior government official from custody.<sup>60</sup> In late September 2019, a Zimbabwean daily, *NewsDay*, published a report about the business bank accounts of a member of the President’s Advisory Council, Kudakwashe Tagwirei, were being frozen on suspicion of money laundering.<sup>61</sup>

Enforcing contracts’ is cited as one of the biggest stumbling blocks to businesses operating in Zimbabwe, according to the World Bank’s Ease of Doing Business Report in 2019, which

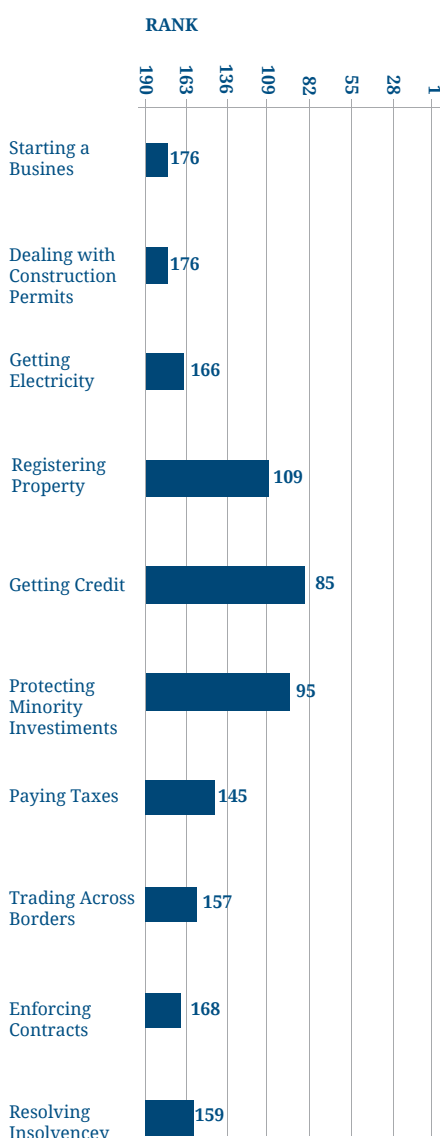


Figure 5: Doing Business 2019: Zimbabwe report  
 Source: World Bank, *Doing Business 2020: Comparing Business Regulation in 190 Economies*, Zimbabwe Report (Washington, DC, May 2019)  
<https://www.doingbusiness.org/content/dam/doingBusiness/country/z/zimbabwe/ZWE.pdf>

ranked Zimbabwe 155 out of 190 countries. The report also cites other bottlenecks such as ‘starting a business’, ‘getting electricity’, and ‘trading across borders.’<sup>62</sup>

Large swathes of the country continue to experience 18-hour daily cuts in electricity. Fuel shortages mean that people queue for hours to fill their tanks with petrol. These shortages are also affecting people’s access to the previously mentioned mobile money services, as mobile companies are forced to use generators to run their operations, which in turn drives up the costs of providing the service.

Similarly, the 2017–2018 edition of the World Economic Forum’s Global Competitive Index ranked Zimbabwe 124 out of 137, citing political instability, foreign currency regulations, corruption and the inefficient bureaucracy as some of the main hindrances to

60 Nqobani Ndlovu, ‘Mphoko will be arrested, says Zacc’ *The Standard*, August 19, 2019, <https://www.thestandard.co.zw/2019/08/19/mpphoko-will-arrested-says-zacc/> Accessed 30 September 2019  
 61 Mthandazo Nyoni and Mishma Chakanyuka, ‘RBZ freezes ED adviser’s accounts’, *NewsDay*, September 21, 2019, <https://www.newsday.co.zw/2019/09/rbz-freezes-ed-advisers-accounts/>  
 62 World Bank Group, ‘Doing Business 2020 – Economy profile Zimbabwe’, 2019, <https://www.doingbusiness.org/content/dam/doingBusiness/country/z/zimbabwe/ZWE.pdf>

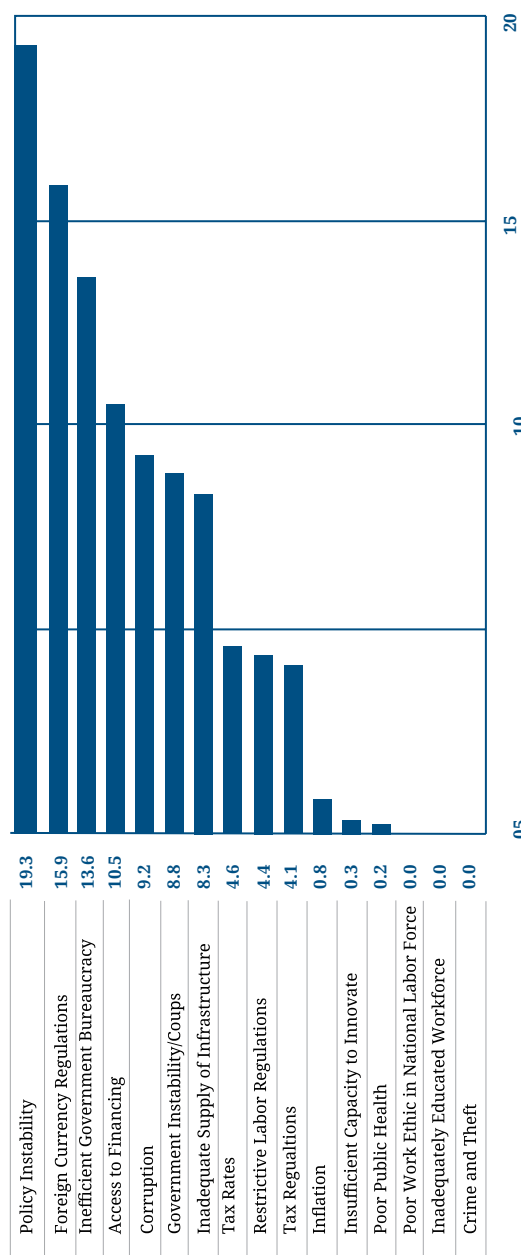
Zimbabwe's global competitiveness.<sup>63</sup>

One of the first steps the Mnangagwa government undertook to improve the business environment was to revoke the indigenisation policy that had forced companies to have at least 51% ownership by indigenous Zimbabweans. This is soon expected to be followed by returning title deeds in order to facilitate farmers' access to capital. These are seen as genuine efforts by the government to roll back the command state and to liberalise Zimbabwe's economy.

Tackling the twin challenges of political and economic instability are crucial for Zimbabwe's growth.

### Informal sector

Job losses brought about by the deindustrialisation of the country have reportedly forced over 90% of Zimbabweans into the informal sector.<sup>64</sup> IMF reports indicate that



**Figure 6** WEF Global Competitiveness Index  
 Source: [http://www3.weforum.org/docs/GCR2017-2018/03CountryProfiles/Standalone2-pagerprofiles/WEF\\_GCI\\_2017\\_2018\\_Profile\\_Zimbabwe.pdf](http://www3.weforum.org/docs/GCR2017-2018/03CountryProfiles/Standalone2-pagerprofiles/WEF_GCI_2017_2018_Profile_Zimbabwe.pdf)

Zimbabwe has the second largest informal sector in the world. Government attempts to formalise the informal sector to increase its contribution to the fiscus form part of the reform measures of Mnangagwa's government. Furthermore, an estimated 23% of those employed in the formal economy are regularly not paid on time – or in full. A report by the Solidarity Center on wage theft in Zimbabwe documents that, on average, Zimbabweans can wait up to 20 months before being paid. Ironically, wage theft in the public sector – where ZANU PF enjoys most of its traditional support in the urban areas – is rare by comparison. The government has always been careful to pay the salaries of security officers because of their role in securing the entrenched interests of state officials and in hemming in civic unrest.<sup>65</sup>

63 World Economic Forum, 'The Global Competitiveness Index 2017–2018 edition – Zimbabwe', 2018, [http://www3.weforum.org/docs/GCR2017-2018/03CountryProfiles/Standalone2-pagerprofiles/WEF\\_GCI\\_2017\\_2018\\_Profile\\_Zimbabwe.pdf](http://www3.weforum.org/docs/GCR2017-2018/03CountryProfiles/Standalone2-pagerprofiles/WEF_GCI_2017_2018_Profile_Zimbabwe.pdf)  
 64 Tula Connell, 'Report: Working Without Pay – Wage theft in Zimbabwe', Solidarity Center, July, 2016, <https://www.solidaritycenter.org/zimbabwe-wage-theft/>  
 65 Aditi Lalbahadur, 'Dismantling Zimbabwe's deep state', South African Institute of International Affairs, July 26, 2016, <https://saiia.org.za/research/dismantling-zimbabwes-deep-state/>



## Drought, disease and food insecurity

Compounding these structural and institutional challenges are exogenous shocks like drought, which has a negative impact on food security, and the spread of disease (compounded by a failing healthcare system).

Protracted drought has not only contributed to water shortages and exacerbated food insecurity but has also affected agricultural output (principally in tobacco). Some 80% of Zimbabweans depend on rain-fed agriculture for their livelihood.<sup>66</sup> In 2018, tobacco exports constituted 22% of the total exports for the country.

Zimbabwe is already facing the worst food security crisis in its history. The World Food Programme estimates that by 2020, 5.5 million citizens of the country (one-third of the population) will need humanitarian assistance. This figure is on the increase – up from 1.4 million people in 2012.

In September 2019, the government announced water cuts for the capital city, Harare, raising fears of a recurrence of cholera outbreaks. The

capital has already fallen victim to sporadic outbreaks of cholera. The latest bout reported to the World Health Organisation on 6 September 2018 mentioned 8 535 cases, 98% of which occurred in Harare.<sup>67</sup>

All these conditions combined create formidable volatility and unpredictability in the economic sphere in Zimbabwe, which does not bode well for investor confidence. Zimbabwe has been struggling to get the international community on board with its reform agenda, partly because of deeply entrenched distrust in the government and partly because the country has been failing to comply with internationally imposed preconditions for re-engagement. While China remains an important investor in the country, Zimbabwe's relationship with the West – particularly the UK, the US and the EU, as well as with South Africa, SADC and the continent at large – holds the most sway in determining its broader international engagement strategy.

The sanctions issue will be discussed in the following section.

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66 SS Nangombe, 'Drought conditions and management strategies in Zimbabwe', Drought Management, [http://www.droughtmanagement.info/literature/UNW-DPC\\_NDMP\\_Country\\_Report\\_Zimbabwe\\_2014.pdf](http://www.droughtmanagement.info/literature/UNW-DPC_NDMP_Country_Report_Zimbabwe_2014.pdf)

67 World Health Organisation, 'Cholera – Zimbabwe', <https://www.who.int/csr/don/20-september-2018-cholera-zimbabwe/en/> Accessed 30 September 2019.

# Zimbabwe's key international relationships



Towards the end of Mugabe's rule, the regime had begun to engage more, had dialled back anti-Western rhetoric and had introduced more reformist talk. 'But engagement is selective, policy statements often incoherent and serious

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Towards the end of Mugabe's rule, the regime had begun to engage more, had dialled back anti-Western rhetoric and had introduced more reformist talk.

questions remain about government's commitment to deliver. New rules also don't automatically translate into new behaviour; ZANU PF's history of selective engagement with the law is well documented.<sup>1</sup>

According to authors Ndimande and Moyo<sup>2</sup>

Mnangagwa's strategy has been to engage Zimbabwe's neighbours, strengthen regional ties, re-engage and strengthen Zimbabwe's relations with her traditional allies such as China and Russia as well as to reset relations with Britain, USA, the EU and the West following almost two decades of toxic relations under the Mugabe regime. His foreign policy can be described as the Mnangagwa Doctrine, of 'Zimbabwe is open for business'.

The Ministry of Foreign Affairs under Mnangagwa was renamed the Ministry of Foreign Affairs and International Trade, reflecting the growing importance of economic diplomacy. Ndimande and Moyo further add<sup>3</sup>

The Mnangagwa administration is keenly aware that the belligerent, bravado-filled and verbally acerbic attitude towards the West of the Mugabe era where he antagonised the West, adopted a siege mentality and isolated Zimbabwe from the West was disastrous for the country economically, made her isolated and made the Zimbabwe brand less than attractive.

Raftopoulos notes how ZANUPF has moved closer to the discourse favoured by the MDC, appropriating its language and policies:<sup>4</sup>

The removal of Mugabe drew heavily on the 'change' narrative that marked the MDC's entry onto the political scene, while the neoliberal macroeconomic stabilisation and international re-engagement policies had been central to the programmatic demands of the MDC since the early 2000s.

Analysts make clear the link between reform, re-engagement and reconciliation<sup>5</sup>

Zimbabwe desperately needs reform if the government is to keep the country reasonably stable and preserve its re-engagement with international donors ... to pull off that reform, it needs broad political consensus, including within both

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1 Pigou, Zimbabwe's Reforms, 2.

2 Jefferson Ndimande and Knowledge Grey Moyo, 'Zimbabwe is open for business: Zimbabwe's foreign policy trajectory under Emmerson Mnangagwa', Afro Asian Journal of Social Science, IX, no. II, Quarter II (2018):2.

3 Ndimande and Moyo, 'Zimbabwe's foreign policy trajectory', 2.

4 Raftopoulos, 'Zimbabwe: Regional Politics and Dynamics', 17.

5 Pigou, Revolt and Repression, 4.

the ruling party and the opposition, but also within other social constituencies.

The true test of reform will be when the government has to make difficult policy decisions that will affect Zimbabwe's foreign policy.<sup>6</sup>

To move forward, government will have to implement an array of unpopular measures, such as cuts in the public payroll and the privatisation of state-owned enterprises. It is in this context that the roadmap for Zimbabwe's return to the international fold remains fraught with improbability.

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The true test of reform will be when the government has to make difficult policy decisions that will affect Zimbabwe's foreign policy.

It is also important to recognise how the perspectives of the international community in key bilateral relationships have developed over time. Initial optimism and outreach in the aftermath of the coup and before the 2018 elections quickly dissipated with the post-electoral violence and mounting repression of dissent. Many Western embassies have expressed frustration with a regime they see as hamstringing genuine reform.

## United States

One of the most visible ways that the West's lack of trust in Zimbabwe manifests is in the perpetuation of sanctions by the US and to a far lesser extent the EU. Following the chaotic land reform process, in 2001, the US Congress passed the Zimbabwe Democracy and Economic Recovery Act (ZDERA) to 'support the people of Zimbabwe in their struggle to effect peaceful, democratic change, achieve broad-based and equitable economic growth, and restore the rule of law.' Its sanctions included blocking loan credits and guarantees to the Zimbabwean government and refusing debt relief, worsening Harare's relations with the IMF

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<sup>6</sup> Pigou, *Zimbabwe's Reforms*, 17.

<sup>7</sup> See S. 494 (107th): Zimbabwe Democracy and Economic Recovery Act of 2001, Govtrack, <http://www.govtrack.us/congress/billtext.xpd?bill=s107-494>



**Figure 5**  
The Broad Alliance Against Sanctions, a Zimbabwean group opposed to sanctions camped outside the US Embassy, Harare 1 August 2019

and guarantees to the Zimbabwean government and refusing debt relief, worsening Harare's relations with the IMF. The US also imposed travel restrictions and sanctions on specific individuals in the ruling elite. With meaningful reform in Zimbabwe remaining elusive, ZDERA was amended (now called the Zimbabwe Democracy and Economic Recovery Amendment Act of 2018),<sup>8</sup> reiterating the call for significant political reform before the US would support the extension of any loan, credit, or guarantee to the government of Zimbabwe by an international financial institution where it holds an executive directorship. ZDERA imposes political preconditions relating to democratic practices, public order and media freedom as catalysts for deeper

engagement. ZDERA prevents the US from using its vote in various IFIs to support renewed assistance to Zimbabwe unless it is in support of programmes to meet basic human needs or promote democracy.<sup>9</sup>

Sanctions imposed by the US Treasury's Office of Foreign Asset Control are targeted at specific individuals and state-owned and party enterprises.<sup>10</sup> In the case of the US, these are imposed by an Executive Order of the President and reviewed annually.

Political oversight of ZDERA takes place in the US Congress and regular visits from the NDI (National Democratic Institute) and the IRI

<sup>8</sup> See S. 2779: Zimbabwe Democracy and Economic Recovery Amendment Act of 2018, 115th Congress (2017–2018), United States of America, 2018, <https://www.congress.gov/bill/115th-congress/senate-bill/2779>

<sup>9</sup> 'US Sanctions Policy: Facts and Myths', US Embassy in Zimbabwe, February 5, 2019, <https://zw.usembassy.gov/u-s-sanctions-policy-facts-myths/>

<sup>10</sup> A list of entities subjected to US sanctions can be viewed at [https://photos.state.gov/libraries/zimbabwe/231771/PDFs/sdn\\_list\\_condensed.pdf](https://photos.state.gov/libraries/zimbabwe/231771/PDFs/sdn_list_condensed.pdf)

(International Republican Institute) ensure that policymakers in the US are kept abreast of developments on the ground.<sup>11</sup>

For its part, the Zimbabwean government, backed by African leaders in the region<sup>12</sup> and on the continent,<sup>13</sup> repeatedly blames the lacklustre performance of the economy on Western-imposed sanctions and has repeatedly called for them to be removed. The government argues that the legalities surrounding sanctions prevent would-be investors from doing business in Zimbabwe because they fear censure for contravening them.<sup>14</sup> This sentiment was corroborated by South African bureaucrats, who also read US stringency towards the Zimbabwean government as a sign of distrust in the intentions of the current administration.<sup>15</sup> Scholars like Jeffrey Kurebwa however argue that there is<sup>16</sup>

... an intricate interconnectedness between the political leadership and the people, institutions and business organisations. Targeting the political elite and their business interests may, in fact, prove suicidal because the targeted individuals may hold the economic levers of the country. Weakening these individuals would effectively mean the weakening of a significant chunk of the national economy ... The effects of targeted sanctions on Zimbabwe led to economic collapse.

This argument illustrates how complex the reality is and while sanctions may play a role,

their importance may be over-emphasised for political expediency. This is certainly the argument that is advanced by the West. There is, however, a clear sense from a large portion of the interviewees for this study – both international and African – that the US position on Zimbabwe is an important signal to the rest of the international community. Other Paris Club members in Harare indicated that their diplomats held frequent meetings with the US and the EU and relied on the information from these meetings to inform their own position.<sup>17</sup>

The US Embassy and the Zimbabwean government meet regularly in Harare to discuss the political reform processes that are being undertaken. Despite this, however, it quickly becomes apparent that the two parties are speaking at cross purposes. While Zimbabwean government officials are eager to show progress in legislative reforms, the US is often frustrated by the slow pace of implementation, ‘haphazard processes’ and the general lack of consultation with civil society on the part of the Zimbabwean government.<sup>18</sup> The US maintains that it is necessary to keep to these standards to ensure substantive reform in Zimbabwean politics. However, many observers (including those in the South African government) believe that this stringency is a consequence of the fact that the government remains in ZANUPF’s hands, rather than being a coalition government or indeed under the opposition.<sup>19</sup> A lack of trust permeates from the political into the economic and back again.

11 SAIIA researchers were informed of a visit by a delegation from the IRI and NDI the week before their visit to Harare in July/August 2019.

12 SADC (Southern Africa Development Community), statement by SADC Chairperson Hage Geingob on the political and socio-economic situation in Zimbabwe, 11 February 2019, <https://www.sadc.int/news-events/news/statement-sadc-chairperson-his-excellency-dr-hage-g-geingob-president-republic-namibia-political-and-socio-economic-situation-zi/>

13 Kitsepile Nyathi, ‘African Union urges West to lift Zimbabwe sanctions’, August 28, 2013, <https://mobile.nation.co.ke/news/African-Union-urges-West-to-lift-Zimbabwe-sanctions/1950946-1971128-format-xhtml-1jru0h/index.html>

14 Interview with government official, July 31, 2019.

15 Telephonic interview with South African government officials, August 22, 2019

16 Jeffrey Kurebwa, ‘Zimbabwe–EU relations after the new political dispensation: Prospects for re-engagement’, *International Journal of Political Science and Development*, 7, no 1, 10.

17 Interviews in Harare, July 30 – August 1, 2019.

18 Interview with US diplomat, July 31, 2019.

19 South African government officials, telephonic interview, Johannesburg, 22 August 2019.

Most interviewees felt that Zimbabwe had not done enough to merit the lifting of sanctions and that removing them now was essentially ‘going soft’ on the Mnangagwa administration.<sup>20</sup> As a diplomat put it,<sup>21</sup>

Since the 2013 elections Western powers have found themselves caught between those who maintain that lifting the remaining sanctions would endorse the state’s flawed human rights and elections record, and business voices highlighting the missed opportunities if Zimbabwe pursues a ‘Look East’ alternative.

Several interviewees mentioned lobbyists who have been hired to get ZDERA repealed in Washington. One said Zimbabwe was wasting money on this and that there was no secret code – the steps for reform and thus lifting sanctions have been clearly laid out.

## European Union

Following the expulsion of the head of its election observer mission for the 9–10 March 2002 elections in Zimbabwe, for alleged bias against the Mugabe regime, the EU imposed what it called ‘smart sanctions’ against Zimbabwe. It withdrew its election monitors and said it would cut official aid worth EUR 128 million for the period 2002–2007, impose visa bans on 200 top ZANU PF officials and freeze government assets held in Europe.<sup>22</sup> Significant European funding support

was channelled to civil society rather than through the government.

Brian Raftopoulos writes in this regard: ‘After the 2013 election which once again kept ZANU PF in power, the EU was at pains to find a workable means of engagement with the Mugabe regime.’<sup>23</sup> This played out to support programmes to build the capacity of the judiciary, public finance management institutions and improving trade facilitation, as well as progressively reducing the list of those under sanction.

With the death of Robert Mugabe on 6 September 2019 at the age of 95, the only person active on the EU’s sanctions list is former first lady Grace Mugabe. EU restrictions have been repealed over the years to incentivise further reform, but an arms embargo remains in place.

Mugabe’s ouster renewed hopes for rapprochement with the international community. ‘Some form of reform process without Mugabe provided the EU with a new opening for further engagement, as it did for the British government.’<sup>24</sup> The EU said in a statement: ‘The ongoing political transition in Zimbabwe creates high expectations among all Zimbabweans. It can open the way to a full return to the Rule of Law, within the constitutional framework, and under civilian rule, allowing for a preparation of much-needed political and economic reforms.’<sup>25</sup> The EU also pledged to support the Zimbabwean government in its re-engagement with the international financial institutions predicated on clear, time-bound

20 One civil society activist said, ‘we don’t want the international community to be duped – they can’t dupe their own citizens’. Another said: ‘It’s not the time to lift sanctions – what good behaviour are you rewarding now? But sanction do give ammunition to the government for its economic mismanagement and the excuse that it’s all punishment for the land reform.’ Interviews with civil society activists, July 29, 2019.

21 Interview with Western diplomat, August 1, 2019.

22 ‘EU imposes sanctions on Zimbabwe’, *The Guardian*, February 18, 2002, <https://www.theguardian.com/world/2002/feb/18/zimbabwe>

23 Brian Raftopoulos, ‘Zimbabwe: Regional Politics and Dynamics’, 10.

24 Raftopoulos, ‘Zimbabwe: Regional Politics’, 10.

25 European Union, Council of the EU, General Council Delegations – Zimbabwe: Council conclusions, January 22, 2018, quoted in Raftopoulos, ‘Zimbabwe: Regional Politics and Dynamics’, 11.

political and economic reforms. The EU and the US closely coordinate their positions on sanctions, as do the EU and its member states.

However, the Zimbabwean government and SADC hold the position that the EU sanctions are detrimental and remain informally in place even if they have largely been formally removed. On sanctions and related matters, the Zimbabwean government tends to lump the EU in the same basket as the US, sometimes uncritically, which may result in missed opportunities for both parties. This certainly strains relations between the EU (and its member states) and the government of Zimbabwe in the context of the deteriorating political space. The EU indeed was hopeful of reform and better ties after Mugabe's ouster, and it sent a large mission to observe the July 2018 elections. Its conclusions were among the most critical of the electoral process, coming out strongly in public against the post-election violence.

## United Kingdom

Zimbabwe's future relationship with the UK has attracted much attention. As the former colonial

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power, it is the Western state with the most history, interests and leverage in Zimbabwe. It has been a major player in EU policy towards Zimbabwe and there is much speculation on a post-Brexit Britain's place in the world. It is certain to want to boost its links outside Europe. Towards the end of Mugabe's rule, frosty relations with the UK began to thaw, and ties began to be forged with Mnangagwa as his most likely successor. This continued after the coup. This comment by former British Prime Minister Theresa May typifies this attitude:<sup>26</sup>

The resignation of Robert Mugabe provides Zimbabwe with an opportunity to forge a new path free of the oppression that characterised his rule... As Zimbabwe's oldest friend, we will do all we can to support this, working with our international and regional partners to help the country achieve the brighter future it so deserves.

The former British Ambassador was even accused of being a 'Mnangagwa apologist', given her enthusiastic public pronouncements in support of the president. The UK sent an envoy to the first inauguration of Mnangagwa in November 2017, and in April 2018 it promised to support Zimbabwe's bid to re-join the Commonwealth, provided there was a free and fair election in July 2018.

A British diplomat commented:<sup>27</sup>

“In terms of official UK–Zimbabwe engagement, the tone now is much more open and positive, both sides are keen to engage, judging by the level and frequency of meetings. We just didn't get these before 2017. This is an opportunity to nudge them onto a more positive path. But

<sup>26</sup> Lucky Asuelime, 'Mnangagwa's Foreign Policy Direction: Old wine in new skin?', *Journal of African Foreign Affairs* 5, no 2 (2018), 16.

<sup>27</sup> Interview with Western diplomat, July 30, 2019.



it's hard to measure if we are getting through to anyone.

The diplomat further added, 'If there is a positive reform trajectory and increased British investment, it could be a win-win.'<sup>28</sup> Echoing this language, a ZANU PF interviewee said, 'We are willing, positive and raring to go. We need to find a win-win with the British.'<sup>29</sup>

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The British optimism about Zimbabwe under Mnangagwa has faded with time,

The British optimism about Zimbabwe under Mnangagwa has faded with time, and the country has been preoccupied with its departure from the European Union (Brexit) for the last two years, almost to the exclusion of everything else. However, a post-Brexit Britain will be looking for new trade opportunities and political alliances, so its policies towards Zimbabwe should be seen in that context.

## China

As relations with the West soured in the 2000s, Mugabe intensified his 'Look East' policy, focused on economic and political relations

with China.<sup>30</sup> This built on historical Chinese support for the liberation struggle, and China soon developed into one of Zimbabwe's major international partners and supporters. Beijing was far less concerned with democratic deficits than London, Brussels and Washington.

As researcher Abiodun Alao aptly put it in 2014:<sup>31</sup>

Between 2003 and 2013, China's economic and commercial links to Zimbabwe became so extensive and so diversified that hardly any aspect of Zimbabwean life did not feel the Chinese impact. The magnitude of these links qualifies Zimbabwe as one of the countries experiencing the most extensive Chinese influence, ranging from mining, construction and agriculture to telecommunications, retail and hospitality. In most cases, the relationship entails Chinese development in exchange for Zimbabwe's natural resources.

He notes that trade with China doubled to \$ 800 million in 2012 compared to 2011, while trade with the EU halved from \$1 billion in 2007 to \$ 478 million in 2008. Some 5 000 Chinese were living in Zimbabwe at the time and over 50 Chinese companies were registered with the authorities. The close, historically embedded relationship between Zimbabwe and China has meant that the latter has held significant investments in the country. Chinese investors are said to have pledged several billions of dollars in investments in mining, steel, hospitality and manufacturing.<sup>32</sup>

28 Interview with Western diplomat, July 30, 2019.

29 Interview with ZANU PF politician, July 31, 2019.

30 See for example Abiodun Alao, 'China and Zimbabwe: The Context and Contents of a Complex Relationship', (Occasional Paper 202, Johannesburg, 2014) South African Institute of International Affairs, <https://saiia.org.za/research/china-and-zimbabwe-the-context-and-contents-of-a-complex-relationship/>; Zhang Chun, 'China-Zimbabwe Relations: A Model of China-Africa Relations?', (Occasional Paper 205 Johannesburg: 2014), <https://saiia.org.za/research/china-zimbabwe-relations-a-model-of-china-africa-relations/>

31 Chun Zhang, 'China-Zimbabwe Relations', 8.

32 Forum on China-Africa Cooperation, Zimbabwe: China lines up multi-billion projects, February 2, 2019, [https://www.focac.org/eng/zfgx\\_4/jmhz/t1635161.htm](https://www.focac.org/eng/zfgx_4/jmhz/t1635161.htm)

However, in recent years, there has been a re-assessment by China, and it has refused to bail out Zimbabwe from its economic crisis until its

debt is serviced, despite being characterised as Zimbabwe's 'all-weather friend'.

Nonetheless, the view is held pervasively among civil society activists in Zimbabwe that China does not care about good governance in the country. As noted by one Zimbabwean civil society activist in the governance sector:<sup>33</sup>

China and Russia are not democracies. They seek friends in the developing world. They would be happy if tension with the West continues, and yet they also exploit Zimbabwe. They have no interest in Zimbabwe re-engaging – it may mean a net loss in their geopolitical influence.

Reinforcing this perception, the Chinese ambassador to Zimbabwe tweeted on 17 November 2019:

No country is perfect. No country knows Zimbabwe better than Zimbabwe. Zim doesn't need other countries to teach it to do this or not to do that. Zim needs real partners and real help without any political conditions. Zimbabwe has the wisdom & ability to address its own issues.<sup>34</sup>

There have been serious questions about China's relations with the Zimbabwean military, including a controversial loan for a defence college tied to diamond mining. General Constantino Chiwenga was in China just before the coup in November 2017, and the now vice president

spent months in China in 2019 receiving medical treatment. He was flown back to Harare in a Chinese aircraft and welcomed at the airport by the Chinese deputy ambassador, with no government officials present.<sup>35</sup> However, China too has been concerned about policy flux in Zimbabwe.

## South Africa and SADC

Turning much closer to home, Zimbabwe's relations with South Africa are of critical importance. South Africa has a strong interest in a stable, peaceful and prosperous Zimbabwe, and is a key player in the SADC region. It stands to lose the most if the crisis in Zimbabwe persists. There is the perception that under President Jacob Zuma, there was 'benign neglect' of Zimbabwe. One activist said, 'South Africa has let the people of Zimbabwe down for a long time, and could do much more. It has not used its power or called out the government.'<sup>36</sup>

Another civil society activist said <sup>37</sup>

... the impression we have is that South Africa does not want another coup, and Emmerson Mnangagwa is riding on this to justify his actions, saying he is containing the military, and justifying repression. Ramaphosa and Mnangagwa are in a 'competitor-comrade nexus'; South Africa is also desperate for investment and growth.

For its part, South Africa has remained a steadfast supporter of the Zimbabwean government. In this vein it has unequivocally supported Mnangagwa's calls for the removal of Western-imposed sanctions, and President Cyril

<sup>33</sup> Interview with civil society activist, July 29, 2019.

<sup>34</sup> Tweet by Guo Shaochun, Chinese Ambassador to Zimbabwe, @China\_Amb\_Zim, November 17, 2019.

<sup>35</sup> Noma Bolani, 'Zimbabwe's vice president Chiwenga has returned from China', SABC news, November 23, 2019. <http://www.sabcnews.com/sabcnews/zimbabwes-vice-president-chiwenga-has-returned-from-china/>

<sup>36</sup> Interview with civil society activist, August 1, 2019.

<sup>37</sup> Interview with civil society activist, July 29, 2019.

Ramaphosa has publicly demanded this. Geopolitical imperatives ensure that Zimbabwe and South Africa cooperate. In spite of prolific trade between the two countries – both formal and informal – the political relationship takes precedence. This is evidenced by the fact that the relationship is managed by the Department of International Relations and Cooperation (DIRCO), which can be frustrating for officials in National Treasury and the Department of Trade and Industry who would prefer that South Africa play a more assertive role.<sup>38</sup> Underpinning this is a long-standing relationship between the ruling parties in both countries.

This hierarchy manifests in opposing positions that can become confusing. For instance, at a political level, South Africa has declared its solidarity with Zimbabwe and called for the removal of sanctions as the key impediment to Zimbabwe's normalisation. Yet, at an economic level, South African government conditions placed on assistance to Zimbabwe have limited its ability to resource its position. In December 2018, Zimbabwe approached South Africa for a ZAR 1.2 billion bailout; however, they were declined because Zimbabwe was not in a position to accommodate the conditions that would have been put in place.<sup>39</sup> Similar reasons were cited for Zimbabwe's decision not to join the Rand Common Monetary Union when it decided to abandon the multicurrency regime.<sup>40</sup>

Although no formal requests were made during Zimbabwe's BNC meeting in South Africa in April 2019, it is apparent that South Africa is now also not in a financial position to assist Zimbabwe

because of its own poor domestic economic performance. Yet, several accounts from government officials indicate that South Africa was able to use the BNC as an opportunity to press the Zimbabwean government to push forward on creating policy stability and dealing with the fundamental economic challenges facing the

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country.<sup>41</sup> Nevertheless, when describing his country's relationship with South Africa, one government official concluded 'Zimbabwe has a way of telling you what it wants', implying that while there is some space for South Africa to express its position, it is barely tolerated and often unheeded.<sup>42</sup>

Zimbabwe claims to value its relationship with South Africa but has been abrasive in the past. Specific mention is made of the implementation of Statutory Instrument 64 of 2016 that led to the burning of South African products at border posts.<sup>43</sup> This inflamed the relationship between the two countries at the time and this ill will permeates the aforementioned Eskom debt crisis and the overall relationship between the two countries.

38 Interview with South African government officials, August 22, 2019.

39 Interview with South African government officials, August 22, 2019.

40 'SA Set Tough Conditions for Zim to Join Rand Monetary Union', AllAfrica, June 15, 2019. <https://allafrica.com/stories/201906150178.html>

41 Interview with South African diplomat, July 31, 2019, and interview with South African government officials, August 22, 2019.

42 Interview with South African diplomat, July 31, 2019.

43 Better Sibanda, 'Zimbabwe's Statutory Instrument (SI) 64 on control of goods on the open general import license: The gains and pains', (Policy Brief 4, Parliament of Zimbabwe, Harare, 2017), [https://www.parlzim.gov.zw/administration/clerk-of-parliament/clerk-s-blog/download/2311\\_ed90a75549f1dd026206fa88b50a2a06](https://www.parlzim.gov.zw/administration/clerk-of-parliament/clerk-s-blog/download/2311_ed90a75549f1dd026206fa88b50a2a06)

In an interview, a South African diplomat expressing frustration with the Zimbabwean government, especially at the factionalism and abrupt policy changes that make it difficult for South Africa to provide assistance said:<sup>44</sup>

It's a two-way process – acknowledge you need help, but you must then be prepared to listen and play along. Zimbabwe withdrew the multi-currency system without consultations, and burned South African goods at the border last year. They fight not to be an item on the SADC agenda. South Africa has been forced by circumstance to disengage. Zimbabwe has closed entry points for South Africa under Emmerson Mnangagwa.

SADC also remains a steadfast supporter of the Zimbabwean government. This show of solidarity was enhanced when SADC chose Mnangagwa as the 2019 head of the SADC Organ on Politics, Defence and Security Cooperation. On 25 October 2019, SADC countries observed a day of solidarity against sanctions on Zimbabwe.

Although the solidarity emanates from a political basis, it is unclear how the country plans to use the region as an alternative to stimulate growth and promote investment. When probed about this relationship, a Zimbabwean official expressed general support for SADC and a willingness to participate in its organs, but was unable to provide more detailed plans.<sup>45</sup> Similarly, the researchers' attempts to solicit details about SADC's position or possible assistance to Zimbabwe were met with generalised statements that lacked detail.<sup>46</sup> This indicates a significant lacuna in Zimbabwe's engagement strategy if it is unable to identify specific ways in which it

will engage with SADC and member countries to boost its economic prospects.

Nevertheless, Ramaphosa has led the charge for the lifting of sanctions on Zimbabwe. At the August 2019 SADC Summit in Dar es Salaam, this call was reiterated. No further comment on the situation in Zimbabwe was made, beyond declaring 25 October as the anti-sanctions solidarity day. Not a word was said about the violent suppression of a demonstration called by the MDC in Harare, or any of the other problems facing the country. The interviewees were critical of SADC too. One said, 'SADC should look its brother in the face and tell it to shape up. Leaders should be frank'.<sup>47</sup> Another said, 'SADC, due to the historical role of Zimbabwe in the Frontline States and Mugabe's role in Africa, is a bit crippled and too soft on Zimbabwe. There is the camaraderie of the liberation movements ... The AU takes its cue from SADC'.<sup>48</sup>

## Re-joining the Commonwealth and acceding to the APRM

Zimbabwe stormed out of the Commonwealth in 2003, as it was set to be suspended. Soon after Mnangagwa's ascent to power, he expressed a desire to re-join this multilateral club of (mainly) former British colonies. This would be a symbol of progress and international reintegration.

But leaving is easier than re-joining, as Zimbabwe discovered. The Commonwealth has to agree that certain democratic standards have been met. The Zimbabwean foreign minister attended the last Commonwealth Heads of State and Government (CHOGM) meeting in London in April 2018, and

44 Interview with Southern African diplomat, July 31, 2019.

45 Interview with South African diplomat, July 31, 2019.

46 Interview with SADC member state official, August 27, 2019.

47 Interview with international financial institution, August 1, 2019.

48 Interview with civil society activist, July 29, 2019.

the earliest it could re-join would be at the CHOGM in Rwanda in 2020.

In the context of Brexit, a Western diplomat had the following to say:<sup>49</sup>

South Africa is keen for its readmission, and so is the UK, while others see it as a lever to push for more reform, and do not want to give away this carrot too early. Readmission would boost its image on the international stage and show a clear break with the past, a rebranding exercise, and draw in investors.

Analyst Onslow asks: 'Why was renewed membership of this financially-straitened "club" whose relevance is publicly questioned in the British media, deemed such an attractive proposition?'<sup>50</sup> She concludes that Commonwealth membership offers access to scholarships, professional networks, participation in the Commonwealth Games, and potentially easier visa regimes. It would also serve to balance Chinese investments. But, she argues, rushing its reacceptance would effectively endorse the coup, debase the Commonwealth's values, and solidify ZANU PF's position.

The Commonwealth is not the only organisation Zimbabwe is keen to join to shore up its legitimacy. In 2019, Mnangagwa indicated that Zimbabwe intended to join the African Peer Review Mechanism (APRM), Africa's key governance promotion instrument. Membership entails that the country would need to thoroughly review its political, economic and corporate governance and socioeconomic development policies and practices, and develop plans in a consultative manner to overcome problems. APRM CEO, Prof. Eddy

Maloka, visited Mnangagwa in Harare in May 2019. According to a newspaper report, Maloka said:<sup>51</sup>

He (Mnangagwa) met us in Addis Ababa and he felt that APRM is very important in Africa in terms of the work that we are doing. He said that it was high time Zimbabwe becomes a member of this family and then he invited us to come and visit so we are honouring his invitation.

Zimbabwe is expected to formally accede in February 2020. Entering both institutions would send a powerful signal about the seriousness of reform in Zimbabwe and contribute to the international legitimacy of the Mnangagwa administration.

## Dialogue as the way forward

Almost universally, the stakeholders interviewed agreed that some form of meaningful national dialogue about Zimbabwe's problems and solutions was the only reasonable way forward. However, differences emerged on the shape and form of such dialogue, who would be involved, and what dialogue could realistically seek to achieve. Some advocated for dialogue between the two major political parties, ZANU PF and the MDC, while others called for a broader process that would involve all sectors, including business, labour, civil society organisations and the Church.

As one civil society member asked: 'Are we seeing regression to the hyperinflation and shortages of 2008? The social fabric is being damaged

<sup>49</sup> Interview with Western diplomat, July 30, 2019.

<sup>50</sup> Sue Onslow, 'Why rejoining the Commonwealth is such an enticing prospect for Zimbabwe's new regime,' Africa at LSE, May 2, 2018, <http://blogs.lse.ac.uk/africaatlse/>

<sup>51</sup> Xinhua, 'Zimbabwe expresses interest in joining African Union's agency on good governance', May 22, 2019, [http://www.xinhuanet.com/english/2019-05/22/c\\_138081072.htm](http://www.xinhuanet.com/english/2019-05/22/c_138081072.htm)

as government fails to consult citizens after November 2017 – we need a new dialogue for a renewed social contract, and all will decide on a way forward.’<sup>52</sup>

Unlike the Global Political Agreement that ushered in the government of national unity in 2009, when the MDC had a majority in parliament, following the 2018 elections ZANU PF now has two-thirds of the seats in the National Assembly. The latter believe that they won those elections fairly, and the MDC’s court bid to overturn the results was dismissed.<sup>53</sup> As the legitimately chosen ruling party and hence the government, ZANU PF therefore sees no imperative to negotiate anything. As a ZANU PF official told these researchers: ‘We are not going to reform ourselves out of power. There can’t only be free and fair elections if the opposition wins!’<sup>54</sup>

According to a ZANU PF interviewee: ‘The Motlanthe Commission recommendation was that the MDC must accept it lost, accept the legitimacy of Emmerson Mnangagwa and move forward to implement transformation. The opposition wants to subvert constitutional government.’<sup>55</sup>

On dialogue, he said: ‘We had a GNU in the past – it had problems of cohesion, political bickering and lack of consensus, but there was some economic stability and an influx of foreign exchange. A GNU should only be a transitional measure, but it is currently impossible.’<sup>56</sup>

Mnangagwa has set up a Political Actors Dialogue mechanism but only small opposition parties have participated, as it is seen as a pretence at

dialogue and a public relations exercise. With the MDC boycotting it, the venture is largely doomed to failure.’<sup>57</sup>

Interviewees asserted that dialogue must have certain credibility markers, including an acceptable external referee from SADC, the AU or the UN to guarantee the integrity of the process. The MDC has also called for an international facilitator, such as a former president, but ZANU PF rejects this idea. Both parties have called for the international community to provide ‘scaffolding’ for any talks – to support the process financially, as well as provide some expert technical advice. One civil society interviewee said that the conditions for dialogue are not present now despite the multiple crises: ‘there is not enough self-hurting pressure.’<sup>58</sup>

As one MDC politician said: ‘Why must [government] talk to us? They must realise MDC holds the keys, only we can create a win-win.’<sup>59</sup> The MDC’s July 2019 strategic document, *Zimbabwe’s Roadmap to Economic Recovery, Legitimacy, Openness and Democracy (Reload)* calls for genuine political dialogue, as well as an interim administrative body to run the country while the needed reforms are implemented, culminating in fresh, free and fair elections.<sup>60</sup>

Civil society groups, including the SAPES Trust and the Research and Advocacy Unit, have for a number of years been proposing a National Transitional Authority to run the country and implement reforms for a few years to lay the ground for impartial elections. The latest proposal is for

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52 Interview with civil society activist, July 29, 2019.

53 This perception was shared by a number of respondents in Harare during the fieldwork that took place from 30 July – 2 August 2019.

54 Interview with ZANU PF politician, July 31, 2019.

55 Interview with ZANU PF politician, July 31, 2019.

56 Interview with ZANU PF politician, July 31, 2019.

57 Interview with ZANU PF politician, July 31, 2019.

58 Interview with MDC politician, July 29, 2019.

59 Interview with MDC politician, July 29, 2019.

60 Interview with MDC politician, July 29, 2019.

Emmerson Mnangagwa and Nelson Chamisa to be co-chairs of an executive authority that reports to government.<sup>61</sup> The MDC mentions the NTA in their Reload Strategy, and an interviewee endorsed a transitional mechanism that creates the environment for undisputed elections in 2023 or earlier.<sup>62</sup>

A key player that might be able to bring the sides together may be the Church, under the umbrella of the Zimbabwe Council of Churches. This is a trusted and respected sector of society, with moral authority, which has already launched a series of dialogues to try to bring the various players together. But Zimbabwe ‘faces deep fragmentation and polarisation, poor social cohesion, and there are many unhealed wounds of the past and more recent ones’<sup>63</sup>

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A key player that might be able to bring the sides together may be the Church

According to a Church representative interviewed:<sup>64</sup>

The Church was quick to call for an ‘envisioning process’ after the elections. It had pre-planned this to talk about the future, which was much bigger than elections. We called for a National People’s Convention, and then the narrative was Mugabe must go. He has gone – so now what? The two major parties have both accused ZCC of dining with the other. This is actually a good sign!

At a Church-organised breakfast in February 2019, about 500 people attended, including MDC leader Nelson Chamisa. Although he was expected, President Mnangagwa did not arrive.<sup>65</sup> At the May 2019 Episcopal Conference in Bulawayo, the Zimbabwe Heads of Christian Denominations met to develop a cohesive approach to the design of a national dialogue.<sup>66</sup>

However, there are limits to the Church’s influence – its call for a moratorium on elections was roundly rejected by all political players.

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61 Interview with civil society activist, July 31, 2019.

62 Interview with MDC politician, August 1, 2019.

63 Interview with Church representative, August 2, 2019.

64 Interview with Church representative, August 2, 2019.

65 Interview with Church representative, August 2, 2019.

66 Interview with Church representative, August 2, 2019.

## Conclusion

Zimbabwe's decline since the 2000s coincided with its increasing isolation from Western states. Ironically, the countries that imposed sanctions on Zimbabwe remain some of its major donors. It is therefore not surprising that the Mnangagwa regime has prioritised re-engagement as a key to its recovery. Although the new administration enjoyed some initial goodwill at home and abroad, this has largely dissipated owing to a lack of significant progress in economic and political

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Mnangagwa regime has prioritised re-engagement as a key to its recovery.

reforms. It is important to note that re-engagement is not only a function of domestic factors or how the Zimbabwean government behaves, but also many other geopolitical issues beyond its control at regional and international level. The actions and stances of other countries need to be taken into account. The strategies and tactics of the two major parties, ZANU PF and the MDC, also shape the re-engagement process.

This report has examined the key internal political and economic factors at play in Zimbabwe today and noted how intertwined they are, as well as their effect on Zimbabwe's re-engagement and international relations. It briefly discussed the November 2017 coup that ousted Mugabe and the great hopes for prosperity and unity that his removal ushered in. Much expectation was placed on the 30 July 2018 harmonised elections to choose a new government in a peaceful,

free and fair poll. While before and during the elections the process was indeed peaceful, the killing of six people in post-election demonstrations in Harare set the country's re-engagement strategy several steps back. It halted and soured efforts by Western countries in particular to give Zimbabwe the benefit of the doubt and to be able to reset relations on a more normal footing. The tough crackdown on fuel protests in January 2019 and the deliberate harassment and arrest of senior civil society figures has further alienated Zimbabwe from Western states.

While diplomatic ties are undoubtedly better than during the heyday of Mugabe's anti-Western diatribes, relations are in a holding pattern. The international community is insisting on a

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package of sincere and fundamental political and economic reforms before it will consider lifting sanctions; the ZANU PF government is adamant that the sanctions lie at the root of all Zimbabwe's problems and that lifting them is the most important action the US can take. It is well known, however, that Africa is not a priority for the Trump administration, and Zimbabwe is of relatively little interest. The EU sanctions – apart



from the arms sales ban – have been considerably scaled back in the past five years.

Saying that ‘Zimbabwe is open for business’ is one thing; giving potential investors policy certainty and confidence that they will be able to repatriate profits is entirely another. Despite valiant efforts, risk aversion, political history, competition from other investment destinations and a dearth of confidence mean that ‘open for business’ is a somewhat empty slogan. It seems the ball is very much in Harare’s court to demonstrate that it is committed to genuine and funda-

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mental reforms. This will mean that Mnangagwa may need to confront the military that put him in power, and make extremely tough and unpopular policy choices like cutting the size of the bloated civil service and carrying out major economic re-engineering.

One area which seems to present ‘low-hanging fruit’ is legislative reform, particularly of AIPPA, now that MOPA has replaced POSA, despite civil society and opposition criticism. Fundamentally restructuring these despised laws will

be important planks in a reform platform. In addition, supporting parliament and its legal staff is somewhere that development partners could add value. This could be a stepping stone to a framework of reforms that addresses the key issue of the lack of trust in Zimbabwe.

Zimbabwe will be judged both on what it does and what it says. Reforming ‘just enough’ to make donors happy will no longer help the country move on from its economic and political problems. Both major political parties need to learn from their experience in the unity government from 2009–2013 to not repeat the same mistakes, and also recognise that they need one another in the national interest. For Zimbabwe to prosper, it will need to overcome both economic and political crises, which feed off each other. Trust is in short supply between the major players, and there must come a point when politicians put the country before narrow political or patronage interests.

Zimbabwe’s outward-looking foreign policy moves – including applying to re-join the Commonwealth and its intention to accede to the African Peer Review Mechanism – will remain hostage to the political and economic trajectory of the country. Once again, it comes back to building trust and substantive reform.

On the economic side, the next major milestone will be the completion of the IMF’s SMP, by March 2020. A success here – and it will be difficult to achieve – could potentially open doors for Zimbabwe to multilateral and bilateral credit markets but, again, not without

significant improvements on the political side. The currency shortages and confusion and rapidly rising inflation are major red flags and must be addressed. Zimbabwe has to find a way to pay its crippling debt and exercise fiscal discipline. It also needs to modernise its aging manufacturing sector to increase international trade. The World Bank and World Economic Forum have pointed out the major barriers to doing business in Zimbabwe, including political instability, foreign currency regulations, corruption, electricity supply and inefficient bureaucracy. It also needs to better manage the informal sector and respond to the effects of drought and food insecurity. These are aspects that Zimbabwe must get right, and quickly. The West is going to want to see real progress before it assists.

Finally, the major solutions proposed to Zimbabwe's crises are for far-reaching, deep dialogue among all the key role players. The Church potentially has a fundamental role to play in bringing the parties together to develop viable solutions. Ultimately, Zimbabweans need to talk to one another to shape their future. If this process is demonstrably sincere, South Africa, SADC and the international community will support these efforts.

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