

BLEAK YEAR AHEAD FOR ZIMBABWE

The one bright spot on the horizon — an election which could bring a change of leader — is dimmer than before.

By Yamikani Mwando in Bulawayo

With no respite in sight from the political and economic crises that maintain their grip on Zimbabwe, the year ahead seems even bleaker than the last for many in the country.

"There is nothing new in the new year", quipped Raymond Majongwe, secretary general of the militant Progressive Teachers' Union of Zimbabwe. "We are still living in old houses, driving old cars and we still have an old president."

Many Zimbabweans have been hoping that President Robert Mugabe will be voted out of power in the March elections. But as every day passes, the prospects of this happening appear to be dimming.

Despite the cracks that emerged in the ruling ZANU-PF in 2007, and an



Credit: Lazele

Raymond Majongwe, leader of the Progressive Teachers' Union of Zimbabwe. Picture taken in July 2007.

electorate wearied by the ravaged economy, the aging president has still managed to firmly entrench himself as the party's official nominee, buoyed up by belligerent veterans of the country's 1970s war of liberation. As Mugabe gears up to run for a sixth term with the powerful machinery of the state at his beck and call, all the signs are that he will once again

sweep to victory, leaving the country stuck in the mire for another five years.

The view among conservative analysts is that Mugabe would have done better to pick a successor and pass the baton to the so-called "Young Turks" in ZANU-PF in order to secure victory in the coming elections.

NEWS IN BRIEF

- Talks between the ruling ZANU-PF and the Movement for Democratic Change collapsed this week after President Robert Mugabe rejected a last-ditch bid to break the deadlock by his South African counterpart Thabo Mbeki, who is leading the mediation effort.
- ZANU-PF's politburo is expected to meet on January 23 to deal with a series of urgent issues affecting the factionised party, in light of fears that of a formal split ahead of the crucial presidential and parliamentary elections in March.
- Reserve Bank governor Gideon Gono has dismissed as "absolute laboratory-generated falsehoods" the allegations made against him by member of parliament David Butau, who said he was corrupt and that the central bank was involved in illegal dealings.
- Amendments to Zimbabwe's tough media, security and electoral laws, which were negotiated with the opposition, were signed into law by President Robert Mugabe at the weekend. The amendments ease the restrictions around holding
- political rallies and granting licenses for journalists.
- An International Monetary Fund document says year-on-year inflation for January has reached around 150,000 per cent as the economy continues its downward slide.
- Food insecurity is likely to affect 4.1 million of the estimated 11.8 million people in Zimbabwe, even after the first harvests take place in March. Widespread flooding has washed away much of the crop.

But other analysts argue that recovery from debilitating economic crisis can only come from a totally new political dispensation. In their view, ZANU-PF lacks the reformers who could steer the party away from populist policies that have entrenched corruption and ruined what was once southern Africa's second-largest economy.

During the run-up to the ZANU-PF congress in December, party loyalists, including Gender and Women's Affairs Minister Oppah Muchinguri, insisted Mugabe should carry on indefinitely.

However, the endorsement of Mugabe as ZANU-PF's candidate was seen by many — including some within the ruling party — as a sure way to hand victory to the opposition Movement for Democratic Change.

ZANU-PF's reselection of Mugabe should have been a godsend.

But hopes that the MDC might take advantage of a weakened ZANU-PF were dashed by continuing factionalism in the opposition as last year drew to a close.

While the main MDC faction under Morgan Tsvangirai has called for all democratic forces to come together and form a united front, Gibson Sibanda, the deputy leader of the other faction, told the media his group did not share this vision.

Another barrier to change is the failure of negotiations between ZANU-PF and the MDC mediated by the South African Development Community, SADC. Even though Tsvangirai's members of parliament cooperated with the ruling party to get a controversial set of constitutional amendments through the legislature, he has since hinted that his party will not take part in the March elections unless there is an all-new constitution and other mechanisms to ensure a free and fair vote.

In his New Year message, Tsvangirai argued that ZANU-PF wanted to go to the polls with only "cosmetic reforms" and to "rig the outcome through a flawed process".

"A lot of work is still pending to repair our voters' rolls and the historically disputed electoral management system before any legitimate election with a legitimate result can take place. We maintain that an election is impossible in the next 100 days, in March 2008," he said.

The Zimbabwean parliament fast-tracked amendments to three restrictive laws towards the end of 2007, but the opposition says the changes were merely designed to hoodwink the SADC leaders who are sponsoring the talks mediated by South African president Thabo Mbeki.

The Public Order and Security Act, the Access to Information and Protection of Privacy Act and the Broadcasting Services Act were amended in December in record time. But as Tsvangirai noted — and as many civic groups agree — nothing has changed on the ground, with human rights abuses continuing unabated.

The Zimbabwe Electoral Commission, handpicked by Mugabe himself, has said everything is ready for a March date and there is no going back. Its refusal to budge sets the stage for a possible boycott of the polls by the MDC.

Jethro Mpofu, a Bulawayo-based political commentator, believes a divided MDC does not bode well for the party's chances of electoral success.

"What will save Zimbabwe is the coming together of all progressive forces under one banner to challenge ZANU-PF," said Mpofu. "Outside that, we are in for a long fight against tyranny."

Highlighting the pessimism that has clouded the new year, teaching union leader Majongwe said there was not

much to celebrate and teachers were "entering the new year poorer than ever".

Rural communities appear even worse off than usual. Many had hoped a good agricultural season would help alleviate their plight. The rainy season began well, but then led to flooding that could render the 2008 crop a write-off.

"Our hope for a better future lay with the rains," said one village elder, noting that the downpours had instead left a trail of destruction across the country.

HIV/AIDS has continued to wreak havoc, often leaving grandparents to care for young orphans.

Meanwhile, young men continue to leave the country in search of work in neighbouring southern African countries or further afield, so that they can feed their extended families,

"Daily, we are fighting despondency, hopelessness and state-sanctioned despair" — Tsvangirai.

Last month, villagers in the countryside around Tsholotsho, in Matabeleland, reported an alarming increase in the number of funerals of young expatriates who had died while working away from home.

Tsvangirai summarised the situation in his message, saying Zimbabweans would need to show "a great deal of courage, endurance and our usual resilience".

"We are stretched to the limit. Daily, we are fighting despondency, hopelessness and state-sanctioned despair," he said.

Yamikani Mwando is the pseudonym of a journalist in Bulawayo. ■

CENTRAL BANK CHIEF RIDES MONETARY STORM

Allegations that cash provided by Zimbabwe's monetary authority was illegally converted into foreign currency.

From Joseph Sithole in Harare

Zimbabwe's powerful Central Bank governor Gideon Gono has had a bumpy start to the new year. Just as he tried to assert control over the circulation of money, which he claims is being subverted by speculators in high places, allegations emerged that his own institution had been complicit in shady foreign currency trading.

As a two-month-long crisis peaked around Christmas, Gono, who is chairman of the Reserve Bank of Zimbabwe, announced that the current highest denomination of paper money, 200,000 Zimbabwean dollars, ZWD — worth only about 10 US cents on the parallel market — was to cease being legal tender on December 31.

Gono's plan was designed to cut the feet from under what he called "cash barons" who he said were accumulating vast amounts of the money.

He has announced the issue of notes in higher denominations of 250,000, 500,000 and 750,000 ZWD.

The existing and proposed money looks like conventional banknotes but in fact takes the form of bearer cheques, which the Central Bank has introduced as an emergency measure in recent years as the face value of the Zimbabwean dollar continues to plummet at alarming rates in the hyperinflationary environment.

On the New Year's Eve, the 200,000 ZWD cheques were to go out of use,



A "bearer cheque" or surrogate banknote worth 200,000 Zimbabwean dollars. Picture taken January 17.

Gono executed a complete policy reverse, saying the notes would after all remain legal tender until an unspecified date in the future. His explanation was that not enough of the higher-denomination cheques had been printed to meet the need for money nationwide.

In any case, he said, there was no point in reducing trillions of dollars' worth of existing bearer cheques to "manure" at a time when the nation was still facing a serious cash crunch.

When he launched the new-issue cheques, Gono said he had been given the authority to print money as and when he deemed it necessary.

His critics have in the past accused him of fuelling inflation by printing money at will and failing to keep track of it properly. One of the reasons that Gono gave for withdrawing the 200,000 ZWD notes was that, out of 67 trillion ZWD released onto the market, only two trillion could be accounted for in the banking system.

As well as the "cash barons" he blames for stockpiling the missing bearer cheques, Gono has accused government officials and senior members of the ruling ZANU-PF party of hoarding foreign currency, of which Zimbabwe is in chronically short supply.

Now the targets of his attacks are fighting back, accusing the Central Bank of complicity in illicit foreign currency purchases.

Last week, a Harare woman called Dorothy Mutekede was arrested for black-market currency trading when she was found in possession of ten billion ZWD in the newly-printed bearer cheques just as they were being released to the banks. She alleged that a senior figure in the Reserve Bank (not Gono) was the source of the cash, and was fined and released.

Her claims came as a huge embarrassment for the Central Bank governor, who has pitched himself as a champion against corruption in the financial sector.

Credit: Lazele

The incident happened as a court in Harare heard that the Central Bank funneled money to a company that did not hold the foreign-currency equivalent it claimed to have.

In court, a man called Joseph Manjoro pleaded guilty to raising foreign currency on the black market on behalf of Flatwater Investments, to enable it to pay for farm machinery bought in South Africa. In mitigation, the defendant said the Zimbabwean currency he used in the illegal transaction formed part of seven trillion ZWD the company had received from the Reserve Bank.

Harare prosecutor has called for an investigation into links between the central bank and Flatwater Investments.

During the court proceedings, prosecutor Tawanda Zvekare said the Reserve Bank supplied the money in ZWD to Flatwater without ensuring that the firm had adequate liquidity held in US dollars.

According to Zvekare, the central bank “literally splashed cash to Flatwater without verifying if they were very good business partners”.

The prosecutor called for links between the Reserve Bank and Flatwater to be investigated further.

Gono has challenged those making such accusations to substantiate the claims.

Meanwhile, he is continuing with his own offensive, promising to name the corrupt officials he accuses of currency speculation when he appears before parliament’s budget and finance committee next week.

Joseph Sithole is the pseudonym of a Harare-based journalist. ■

HEAVY RAINS A DISASTER FOR FARMING



Flooding and a fertiliser shortage could affect the maize crop on this farming plot outside Harare. Picture taken January 16.

Government mismanagement of the farming sector blamed for compounding problems caused by massive flooding.

By Mike Nyoni in Harare

Zimbabwe’s farmers had an auspicious start to the New Year, with heavy rains which began in earnest on December 3. But analysts warn that the country might nevertheless experience its worst food crisis yet, because of widespread flooding which has revealed that the authorities were poorly-prepared and had no back-up plan.

While there were early warnings that Zimbabwe would see above-normal rainfall levels over the 2007-08 season, the government failed to advise farmers when they should start planting.

Farmers were in a quandary over when they should start planting in

earnest, because in the past, October rains have been followed by a dry interval in November and December, wiping out the young crops. People have then been forced to replant from inadequate seed resources, and in drought years when the rainy season has ended prematurely around March, the crops have been a write-off.

Insufficient supplies of seed for the staple cereal, maize, and shortages of fertilisers are a persistent problem, caused by the critical lack of foreign currency in the economy over recent years.

This time round, there are widespread fears that the incessant rains pounding the country could lead to crop failure, due to waterlogging and the lack of sun.

In what some observers see as an early sign of climate change in Zimbabwe, the month of December was described as the wettest since records were first kept 127 years ago. The rains have led to massive flooding

in most countries in southern Africa, resulting in loss of life, livestock depletion and crop destruction.

"In agriculture, we say rain makes grain, [yet] in Zimbabwe this year at least we must say rain makes starvation," said Renson Gasela, a former general manager of the state monopoly Grain Marketing Board, and now secretary for land and agriculture in one of two factions of the opposition Movement for Democratic Change.

In the case of Zimbabwe, analysts say, the situation will be made worse by the lack of forward planning. For example, when the authorities began distributing tractors, harrows and ploughs to newly-resettled farmers in October under the Agricultural Mechanisation Programme, it was already too late — the equipment was never going to reach the majority of beneficiaries in time for planting. Thus, when the rains began in early December, even those who had received free seed and fertiliser from the government had not done their planting.

Moreover, the seed available fell far short of the projected need. The government had set a target of two million hectares under maize, which works out at 50,000 tons of seed. However, only 30,000 tons were available at the start of the rainy season, with the shortfall expected to be met through imports from China.

"Limited quantities of seed were only available [at the] beginning of December," said Gasela. "This was obviously too late for the planting season. What this means, therefore, is that there was not enough seed for the targeted two million hectares. Most of the seed went to the soldiers for Maguta."

Maguta is a programme launched by the government three years ago to involve military manpower in agriculture, in a desperate effort to boost food production.

Gasela said that as of the end of December, less than 730,000 of the target two million hectares had been planted.

"The incessant rains have prevented any further planting," he said. "The planted crops are waterlogged, are suffering from nitrogen deficiency and are in need of sunshine. There is an acute shortage of top dressing fertilisers. GMB [Grain Marketing Board] has none. The shops have none. The country has none."

President Robert Mugabe's government appears to be in denial about the scale of the shortfall in agricultural inputs. In response to the heavy rains this week, the Department of Agricultural Extension Services advised farmers to "increase fertiliser application on their crops to counter increased leaching and waterlogging".

It did not explain where the farmers should source the extra fertiliser.

Major fertiliser producers such as the Zimbabwe Fertiliser Company, Zimbabwe Phosphate Industries and Windmill have drastically scaled back production, citing the high cost of raw materials and a lack of the foreign currency needed to buy them. They have also accused government of setting sale prices too low for them to be able to run at a profit.

Zimbabwe has experienced serious food shortages since the government embarked on a land reform programme in 2000 which displaced white commercial farmers and settled many senior ZANU-PF, army and police officials on formerly productive lands.

Mugabe has often blamed food shortages on droughts, an excuse which will be hard to sell this year.

Donors are likely to face renewed requests for food aid for hungry Zimbabweans in the coming months.

"There will be massive shortages of food," said Gasela. "With what reasons do you approach donors after such a good rainfall season? When there is no rain, Zimbabweans starve; when there are good rains, Zimbabweans still starve."

Mike Nyoni is the pseudonym of a journalist in Harare. ■

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