What options for Zimbabwe?

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THE SOLIDARITY PEACE TRUST

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Abbreviations

AU  African Union
EU  European Union
GPA  Global Political Agreement
JOMIC Joint Monitoring Committee
MDC  Movement for Democratic Change
MDC (M) Movement for Democratic Change (Mutambara)
MDC (T) Movement for Democratic Change (Tsvangirai)
MP  Member of Parliament
PDL  Poverty Datum Line
SADC  Southern African Development Community
UK  United Kingdom
US  United States
USD  United States Dollar
ZANU PF  Zimbabwe African National Union, Patriotic Front
ZCTU  Zimbabwe Congress of Trade Unions
Whither Zimbabwe?

Introduction

There is a general consensus that the Global Political Agreement (GPA), signed in September 2008 and initiated in February 2009, has not yet lived up to expectations, and has been seriously stalled in the implementation of some of its key components. There are clearly key blockages in the process that are locked into a number of factors, namely Zanu PF’s determination to remain in power at any cost, the MDC’s rightful claim to demand the opening up of democratic spaces promised in the GPA, the limitations of SADC’s capacity to respond to the Zimbabwe crisis, and ambiguities around the Western response of limited economic engagement with the Inclusive Government and continued implementations of targeted sanctions against the Mugabe regime. With fierce positions emerging around this strategic challenge the severe problems facing the GPA place an enormous responsibility on all the key players involved in the Zimbabwe debate, to find a way forward in the current impasse. The central purpose of the Briefing is to consider the options open to the central protagonists in this process, within the context of the balance of power and relations of force within the country and the region, while also contextualising the international dimension.

Overview: The Current Context

Economic Trends

Before turning to the political options available in the current environment there is a need to provide a broad picture of the conditions that have emerged under the GPA. In setting out to resolve “once and for all the current political and economic situations” in the country, the GPA prioritised both “the restoration of economic growth and stability”1 and implementation of political reforms to create the conditions to chart a new political direction for the country. It is important to note that the agreement assumed that all aspects of the GPA would be pursued concurrently, without one aspect of the agreement being implemented as a condition for another.

At an economic level the GPA brought some respite to the country. The Short Term Emergency Recovery Programme introduced in 2009, set out to stabilise the economy, and lay the basis for a more transformative mid and long-term economic programme. A major part of this stabilisation programme was the elimination of the Zimbabwean dollar and introduction of a multi currency system. This intervention very quickly eliminated hyperinflation and removed the ability of the Governor of the Reserve Bank of Zimbabwe to engage in a series of quasi fiscal activities that had fed the hyper-inflationary spiral since 2004. These quasi fiscal activities included “monetary operations to mop up liquidity, subsidised credit, foreign exchange losses

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1 Agreement between the Zimbabwe African National Union-Patriotic Front (Zanu PF) and the two Movement for Democratic Change (MDC) Formations, on resolving the challenges facing Zimbabwe, Harare, 15th September, p1.
through subsidised exchange rates for selected government purchases and multiple currency practices, and financial sector restructuring. The scrapping of the Zimbabwean dollar allowed for greater access to a broader range of goods for those with access to foreign currency. The first year of the GPA also witnessed the opening of more schools and hospitals in the country and the Western donors concentrated their engagement on humanitarian-plus assistance. However the introduction of the multi-currency regime, while bringing some temporary relief has not been able to address the longer-term structural problems in the economy, particularly for those with little access to foreign currency. As the ZCTU’s research unit noted:

In spite of the gains the economy still remains in the grip of a number of underlying structural challenges which militate against the attainment of pro-poor inclusive and broad based economic growth. These challenges include the dual and enclave economy; lack of fiscal space; inadequate social protection……The majority of the labour force continues to struggle to eke out a living as average incomes lag far behind the Poverty Datum Line (PDL). The average wage for December 2009 of USD180 represents only 36% of the corresponding PDL of USD500. Therefore, quite clearly even though the multi-currency regime has brought some economic gains it has unfortunately also consigned the majority of people into poverty.

As the economy has continued its incapacity to provide the levels of employment and livelihoods required to sustain workers at national level, migration out of the country has continued, as shown in the accompanying report Desperate Lives, Twilight Existence. In the process not only has this movement created new challenges for the region, it has also exposed Zimbabweans to enormous difficulties such as xenophobic attacks in South Africa and the “new regimes of border security, policing and migrant surveillance” in Southern Africa, as they attempt to deal with the economic and political crisis at home. It is also clear that the massive movement of people out of Zimbabwe has created a “multitude of new transnational networks” with families, and economic and political networks now covering the region.

The new Minister of Finance, Tendai Biti, has valiantly attempted to deal with this multitude of inherited problems by pushing for a re-engagement with the international financial institutions, after the cessation of the government of Zimbabwe’s repayment commitments in the late 1990’s. Recently Biti has been pushing for Highly Indebted Poor Country (HIPC) status for Zimbabwe as the only way to deal with the country’s US$5.7 billion debt, a move that would push Zimbabwe into very stringent structural adjustment conditionality. In February the IMF also restored Zimbabwe’s voting rights as part of a move towards more substantive re-engagement


3 Solidarity Peace Trust, Gone to Egoli: Economic Survival Strategies in Matabeleland-A Preliminary Study, (Johannesburg, 2009.)

4 Ledriz, op cit p 43.


6 Ibid.
based on agreement on a schedule for debt repayment. The Finance minister has also made it clear that unless a greater re-engagement takes place with the international community, there will be no further assistance from outside. In his words, and clearly aware that such lack of assistance will weaken the position of the MDC in the Inclusive Government, Biti observed:

**We are not going to get outside help from anyone. Last year we got US$30 million from South Africa, and US$5 million from China, the credit lines are not going to be extended**

Predictably Zanu PF responded to these attempts to draw it into broader international accountability around economic policy issues, with a greater assertion of purported nationalism. In February 2010 Zanu PF announced a set of regulations that would bring the Indigenisation Act passed in 2007 into operation. The regulations called for the indigenisation of every business with an asset value of or above $US500,000. As stated in the regulations such businesses should:

...within the next five years from the date of operation of these regulations, or within five years from the commencement of the business concerned, as the case may be, cede a controlling interest of not less than fifty one per centum of the shares or interests therein to indigenous Zimbabweans; unless in order to achieve other socially desirable objectives, a lesser share of indigenisation or a longer period within which to achieve it is justified.\(^7\)

The introduction of these regulations could thus be seen as both the Mugabe regime’s reluctance to be drawn into a broader web of policy accountability, and a response to the continued targeted sanctions against the Zanu PF elite. In the words of the Indigenisation Minister:

**Sanctions worked because the economy was being controlled from outside the country….These British banks should change their attitude; either they support our people or there is no need for them to be in First Street.**\(^8\)

The introduction of the regulations was widely condemned by the Prime Minister, the MDCs, the civics and many in the business community. Moreover the MDC (M) Trade Minister criticised Kasukuwere for publishing the regulations prematurely, before they had been deliberated upon by the cabinet committee on legislation.\(^9\) It remains to be seen how this issue will be dealt with as part of the ongoing unresolved problems of the GPA.

However, this indigenisation discourse draws on both the politics of indigenisation that emerged in the 1990’s\(^10\) and the politics of the Third Chimurenga around the land question. It is part of the process of extending Zanu PF’s patronage and generating new constituencies around

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\(^7\) Indigenisation and Economic Empowerment (General) Regulations 2010, Statutory Instrument 21 of 2010.


\(^9\) “Government revising empowerment rules”. [www.theindependent.co.zw/business/25643-government-revising-empowerment-r](http://www.theindependent.co.zw/business/25643-government-revising-empowerment-r) Accessed on 05/03/10,

economic empowerment, even if at present there is not much foreign investment to indigenise in Zimbabwe. Moreover notwithstanding the many problems that have emerged around the land occupations new constituencies have also been created in certain areas and the unevenness of the situation on the land means that, in the words of one scholar, “the overall pattern is not simply one of elite capture”.\textsuperscript{11} The implication behind this discussion is that underlying Zanu PF’s intransigence in the GPA is an economic accumulation project in which the military/security elite are key beneficiaries, but in which a broader grouping of beneficiaries may also be developing. When this process is added to Zanu PF’s looting of the diamond revenues, and certain limited levels of support from the Chinese,\textsuperscript{12} then the option for Zanu PF to continue its intransigence and if necessary drag out the GPA until it collapses under the weight of its own ineffectiveness, should not be ruled out. This has implications for discussing the political options in the country at the moment, and we will turn to this in the last part of this paper.

**Political Trends**

While the economic challenges of the Inclusive Government have been enormous, charting a path through the challenges has hinged on the outstanding political issues of the GPA. As of the end of 2009, there were some twenty seven outstanding problems to be dealt with, but four of these constituted the central items. These were

1. Swearing in of Roy Bennett.

2. Appointments of Provincial Governors.

3. Appointments of Johannes Tomana (Attorney General) and Gideon Gono (Reserve Bank Governor).


Moreover the prospect of another election at some unspecified point in the future has led to continued tensions and grandstanding in the negotiations between the parties. In October 2009 the MDC(T) made a decision to temporarily withdraw from parts of the inclusive government because ‘outstanding, non-compliance and toxic issues continue to impede the transitional government.’ In the statement announcing the withdrawal the Prime Minister observed:


\textsuperscript{12} Jason Moyo, “Trail of Debt all the way to China”. Mail and Guardian 12-18 March 2010. The limitations of this support were hinted at by Deputy Prime Minister, Arthur Mutambara, in this same article: “The Chinese have said: ‘We’ll not condemn you publically, but we’ll not give you cash’. Unless we do the right thing, the Chinese will not work with us”.

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….whilst being in government we shall forthwith disengage from Zanu PF and in particular from Cabinet and the Council of Ministers until such time as confidence and respect is restored amongst us.

This will include the resolution of all outstanding issues and the substantial implementation of the GPA.13

For much of 2009 the civil society groups also protested the slow progress of the GPA and in particular the halting of the constitutional reform process and the continued human rights abuses, of civic groups, human rights defenders and political activists.14

In November 2009 a summit of the SADC Troika was called in Maputo to discuss Madacascar, Lesotho and Zimbabwe. On Zimbabwe the summit recommended that the parties should fully comply with the ‘letter and spirit’ of the GPA and the SADC Summit decisions of 27 January 2009, and engage in a dialogue to find a lasting solution to the full implementation of the GPA. The summit also called once again on the international community to lift all forms of sanctions on Zimbabwe,15 a position that was reiterated by the African Union. Following the summit the MDC(T) re-entered the Inclusive Government and the Zuma Presidency appointed a new facilitation team to take over from former President Mbeki’s mediators.

Of all the outstanding issues of the GPA the sanctions debate came to dominate the discussion from mid 2009. This was due to a combination of Zanu PF’s intransigence, its continued deployment of the anti-colonial discourse and SADC solidarity around this, the ambiguous messaging of the MDC (T), and clumsy positioning of the West. Zanu PF continuously blamed the MDC for not keeping its part of the GPA and calling for sanctions to be removed by the West. In September 2009 Mugabe once again attacked the West over this issue at the UN emphasising his Pan Africanist position:

Regrettably, while countries in the SADC region have made huge sacrifices and given Zimbabwe financial and other support at a time when they are are reeling from the effects of the global economic crisis, the western countries, the United States and the European Union, who imposed illegal sanctions against Zimbabwe have, to our surprise and that of SADC and the rest of Africa, refused to move them. What are their motives? Indeed some of them are working strenuously to divide the parties in the Inclusive Government. If they will not assist the Inclusive Government in rehabilitating our economy, could they please stop their filthy clandestine divisive antics? Where are their humanitarian principles when their illegal sanctions are ruining the lives of our children?16


14 Civil Society Monitoring Mechanism (CISOMM), Annual Review 2002/10, Harare.

15 SADC: Communique Summit of the Troika of the Organ of Politics, Defence and Security Cooperation, 5th November 2009, Maputo.

The MDC (T) position on this issue has varied from, linking the sanctions question to the full implementation of the GPA, to the more nuanced position of lifting sanctions on those parastatals vital to economic recovery while maintaining the targeted measures against particular Zanu PF individuals, to a reported statement by the Prime Minister calling for the removal of sanctions. This ambiguous messaging around this issue caused problems even for MDC MP’s who complained about the need for the party to take a clear position on the sanctions question. The position of the opposition has not been helped by the lack of agreement, on yet another issue, between the two MDCs, with the MDC (M) calling early on for the removal of sanctions.

The discussion around the issue became even more confusing with the intervention of the British Foreign Secretary in January 2010, seemingly linking the position of the British government to advice received from the MDC. David Miliband was reported to have stated in the House of Commons in January 2010:

In respect of sanctions, we have made it clear that they can be lifted only in a calibrated way, as progress is made. I do not think it is right to say it is a choice between lifting all sanctions and lifting none at all. We have to calibrate our response to progress on the ground, and, above all, to be guided by what the MDC says to us about the conditions under which it is working and leading the country.

Zanu PF immediately latched on to this statement as ‘proof’ that the MDC-T was working in conjunction with the West to keep the sanctions in place and to hamper the progress of the GPA. In response Zanu PF used the statement to stonewall any further progress in the already problematic GPA declaring that:

The Politburo therefore instructs its negotiators on the GPA to desist from making concessions in the negotiations until the sanctions are removed and pirate stations cease to pollute airways.

The renewal of the sanctions against key individuals in Zanu PF, by both the EU and the US in March 2010, notwithstanding the removal of six individuals and nine companies from the targeted list, reinforced this option as the central Western policy tool against the abuses of the Mugabe regime. In his state visit to the UK in March 2010 the South African President Jacob Zuma made a further call for the removal of sanctions in a bid to keep the GPA alive. He called on the British Government and the EU to lift the sanctions and warned that “if the Zimbabwean issue is not moving forward, some people there could use the sanctions as an excuse for lack of

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18 Faith Zaba, “Sanctions: MDC-T take Tsvangirai to task.” [www.theindependent.co.zw/local/26635=sanctions=mdc-t-mps-take-tsvangirai-to-task](http://www.theindependent.co.zw/local/26635=sanctions=mdc-t-mps-take-tsvangirai-to-task) Accessed on 05/03/10.

19 Ibid.


21 Sydney Kawadza, “No more GPA concessions, says Zanu PF”. The Herald 28/01/10.
progress." It is no surprise that President Zuma has taken such a position on Zimbabwe; for
despite some of the differences in tone in his early public utterances the Zuma presidency’s
paradigm on the Zimbabwe crisis remains that set by his predecessor, namely a commitment to a
multilateral approach on the issue through SADC, while walking a tightrope between Pan
Africanist solidarity and maintaining a dialogue with the West on global economic reform. Any forms of pressure that South Africa places on the GPA will thus be guided by the limits of these parameters, in addition to the immense national challenges facing the Zuma presidency itself.

Options for Zimbabwe

What then are the political options available in the current Zimbabwean context. Three options are considered below:

1. Withdrawal from the GPA.
2. Early Elections.
3. An extended power-sharing period preceding a new election.

Option One: MDC Withdrawal from the GPA

The factors that pushed the MDC into the GPA in 2008/09 are for the most part still in operation, namely a combination of the threat of violent state response to attempted mass actions, a social base that has been severely weakened by massive structural economic decline, pressure from SADC and the AU to resolve the issue through an “African solution”, and the limits of Western diplomacy to a problem that remains persistently located in the colonial past. In its brief withdrawal from the GPA in October 2009, the MDC very quickly ran up against these limitations and soon returned to the agreement. For Zanu PF the GPA remains important as an agreement brokered by an African institution, in addition to being a means to both regroup after its 2008 election defeat, and to seek a normalisation of relations with the international community. The Mugabe regime is also acutely aware of the limits of pressure it can expect from SADC, and, at least in the near future, the constraints on any further Western pressure on the situation. With regard to SADC the limits of the regional body’s response to the Mugabe project was made very clear by a former South African facilitator of the SADC mediation, Sydney Mafumadi: In July 2009 he made the point very clearly:


It is very important that we have an appropriate understanding of the continent and the region in which we are situated, so that our expectations of what SADC can do, and even the AU, should be properly tempered…although SADC has got 14 member countries, perhaps slightly more, the contribution of these different member countries of SADC was differential in the search for a solution to the problem of Zimbabwe—not because they have different levels of commitment but because not all of them could contribute to the same extent.

We have to position ourselves in such a way that we can have the possibility to persuade all parties to the conflict. And if one party decides to place itself beyond persuasion there is very little you can do. I do think that working within this reality there is some progress that we can show for the SADC mediation effort. It is not exactly what we wanted, but it is more than we could have achieved if we went the route of megaphone diplomacy or coercive diplomacy.24

Given these limitations it is most likely that a withdrawal by the MDCs from the GPA would weaken the opposition both at national and regional levels, and leave it without a viable alternative strategy internally, and no substantive regional backing. It is unsurprising then that, notwithstanding the occasional threats of withdrawals by members of the opposition, this is not a strategy that is being seriously considered by either formation of the MDC.

**Option Two: An early election**

There have been recent suggestions, particular from President Zuma and South African Foreign policy officials that, ‘parking’ the outstanding issues of the GPA, and concentrating on moving towards an early election in 2011, on the basis of certain minimum reforms necessary for elections, might bring a resolution to the Zimbabwe questions.25 However with the lack of progress on key issues in the GPA, in particular around electoral, constitutional and media reform, and the continuing challenges around the security sector, an early election would most likely result in another contested election and take Zimbabwe back to the situation in 2008. For the central problem in Zimbabwe has been, not the ability of the MDC to win an election, for it has shown that even under very difficult conditions it can do so. The major issue has been the inability of the MDC to transform electoral victory into state power, due to Zanu PF’s hold over the military and security apparatus in the country. Thus this alternative is not likely to produce any progress in the political impasse.

**Option Three: An extended power sharing period preceding new elections**

24 Transcript of Sydney Mafumadi’s input at the Zimbabwe Consultative Conference on Regional Solidarity, organised by the Zimbabwe Institute, Crisis in Zimbabwe Coalition, FiPep and the Zimbabwe Solidarity Forum, Harare, 21st July 2009.

There are clear dangers in an extended period of power sharing, and an assessment of the experience of Kenya reveals a number of dangers that could, or already have become apparent, in the Zimbabwe situation. Amongst the biggest problems facing such an option are the following:

1. While new spaces may allow for the opening up of more spaces for political activity, this period also allows the more repressive forces in the state to become retrenched.

2. Dual political structures in the state create conflicts between the competing parties.

3. The loss of confidence in the institutions of the state and a growing disillusionment with the experience of an inclusive government.

4. The convergence of interests between the parties over the sharing of state resources.

5. A halt in the progress of the constitutional review progress.

6. Divisions in civil society over the GPA.

7. The lack of a viable alternative strategy for the opposition, thus reducing its leverage in the inclusive government.26

All these dangers point to a key feature of such arrangements in both Kenya and Zimbabwe, as Cliffe clearly points out:

What has to be recognised in both countries is the enormous extent to which under the veneer of power-sharing political competition has continued, merely taking different forms. Here it is worth recalling the broader context, brought out by many analyses of operations of African states in the last two decades of neo-liberalism, to the effect that there has been such a curtailing of assets available to satisfy all would be elites let alone clients, that the competition is likely to see more exclusions.27

The fierceness with which Zanu PF has held onto state power, despite a clear electoral loss, bears witness to this process. This analysis also sheds light on the Mugabe regime’s continued attempts to halt the progress of the GPA, and initial reports of corruption over state resources in the MDC.28 It is also apparent that the much smaller MDC (M) formation favours a more extended period of power sharing because it is unlikely to survive a new election in its present form.


27 Cliffe ibid.

With these reservations in mind we should also note the progress that has been made under the inclusive government at a political level. Areas of improvement include a decrease in political violence, appointments of the Chairs and members of the Human Rights, Electoral and Media Commissions, and the introduction of a Reserve Bank Reform Bill that reduces the powers of the Reserve Bank Governor and undermines his capacity to carry out quasi fiscal activities. Additionally despite the many criticisms that have been made of the Joint Monitoring and Implementation Committee (JOMIC) set up to monitor the implementation of the GPA, JOMIC has been an important arena for continued negotiations between the parties and a certain rapport has developed between the parties due to an extended period of engagement.

At the end of March President Zuma intervened in order to break the deadlock in the implementation of the GPA, and during his visit to Harare he met with the three political Principals, the Reserve Bank Governor and the Attorney General. At the conclusion of this intervention it was agreed that the major outstanding issues have to be finalised by the 31st March and a report produced for the SADC facilitator. It was reported that a set of compromises were put on the table for discussion and these included:

1. The Reserve Bank Governor, Gideon Gono to resign.
2. Attorney General Tomana be appointed a high court judge and replaced by someone acceptable to all parties.
3. Treason charges against Roy Bennett to be dropped, but he will then be given a position different to the Deputy Minister of Agriculture.
4. Ten provincial governors to be shared between the parties.
5. All parties to lobby for the lifting of sanctions against Mugabe and other targeted members of Zanu PF.  

While there is no guarantee that this intervention will lead to a break in the deadlock it is clear that, notwithstanding all the obstacles facing this option, it remains the most viable of the three presented here. Thus unless sufficient time is given for a fuller implementation of the GPA, and the SADC facilitators take the necessary steps to remain effectively engaged in the process, it is most likely that the Zimbabwean imbroglio will persist.

**Conclusion**

The options presented above all present serious obstacles, and with the sense of growing frustration over the electoral injustice that led to the signing of the GPA, some voices have called either for a withdrawal from the GPA or an early election. It is hoped that the arguments in this Briefing have shown that these two options would most likely deepen the crisis, and that notwithstanding the risks of the third option, it remains the best way forward in the current conjuncture.

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29 Dumisani Muleya and Moipone Malefane, “Zuma breaks Zim deadlock.” Sunday Times, 21/03/10.