



CONGRESSIONAL TESTIMONY

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Zimbabwe: Opportunities for a New Way Forward

SUMMARY

Exploration of new approaches for U.S. policy toward Zimbabwe is long overdue. As one member of the South African-based campaign, Save Zimbabwe Now, said recently, it is time for a “smart U.S. policy,” one that moves beyond the narrow focus on ‘regime change’ toward a comprehensive policy that recognizes Zimbabwe’s and the region’s multiple, intersecting and complex crises, for which many – both internal and external actors – share some blame and responsibility.

The situation in Zimbabwe remains extremely unstable. Since the February 2009 swearing-in of the new Government of National Unity, there has been some slowing of the country’s economic decline as new fiscal policies take effect. Additionally, the cases of ZANU-PF backed unlawful detentions, intimidation, and violence have fallen in number. Yet, struggles for power within Zimbabwe’s inclusive government continue, resulting in uneven progress toward a government where inclusion, rule of law, and respect for rights is the norm as opposed to the exception. While in theory Zimbabwe has an inclusive government, in fact President Mugabe and ZANU-PF retain control of the security forces and key ministries. Prime Minister Morgan Tsvangirai and the Movement for Democratic Change representatives hold numerical superiority in the

Parliament, but oversee a financially bankrupt government and their supporters continue to face arrest, torture, and harassment.

Today, the U.S. and other western governments are challenged to discern how best to support Zimbabwe's forces for change, those in government, civil society, and the private sector. The policy approaches of the past – criticism, isolation, and hostile pressure – are certainly not the appropriate tools for the present, and in fact are likely to undermine the very actors that need support.

In terms of a new direction for U.S. policy, TransAfrica Forum recommends the following:

1. Continued humanitarian support for needy communities.
2. Continuation of USAID's democracy and government programs, and the expansion of such support to grassroots and community-based actors. Community and grassroots organization, including faith-based and women's groups will play a determinative role in the next two years as the locus of activity shifts from elections, election monitoring, towards the establishment of conditions for free and fair elections and the draft of a new constitution.
3. Appointment of an U.S. Special Envoy to the region.
4. Financing for the new multi-donor trust fund, overseen by the International Monetary Fund (IMF), the African Development Bank (ADB), and United Nations Development Programme (UNDP) that is charged with working in collaboration with the new Minister of Finance Tendai Biti. ¹

THE CURRENT SITUATION IN ZIMBABWE

Presidential, national, and local elections were held in March 2008, during which former trade unionist and leader of the Movement for Democratic Change (MDC), Morgan Tsvangirai, garnered a near-majority of votes for the position of president. But, as a result of corruption, political violence and intimidation, Tsvangirai did not participate in the follow-up second round in June 2008. Instead negotiations led to an 'inclusive government' which joins parties headed by Tsvangirai as Prime Minister with his former rival, President Robert Mugabe, and with the MDC breakaway faction led by Arthur Mutambara. The new government, transitional in nature, is responsible for developing a new constitution and holding fresh elections in two years.

A full analysis of the elections and its aftermath is contained in TransAfrica Forum's 2008 report, *Zimbabwe: a Dream Deferred*,² which has also been submitted for inclusion in the record.

Since the March elections and presidential run-off, the country has experienced a precipitous decline. Today, some analysts fear that a complete breakdown, a complete state failure, is possible if the decline is not halted and careful reconstruction initiated.

Political violence – The violence following the March elections was extremely widespread, targeting opposition members and their supporters, election monitors, poll workers (largely teachers), as well as ZANU-PF members thought to have voted for the MDC. The atrocities included thousands of attacks on individuals and property, public beatings, destruction of property, and forced participation in ZANU-PF political meetings. The worst of the ruling party's violations are unequivocally Crimes against Humanity and include:

- Murder,
- Persecution on political and ethnic grounds, including rape, torture, beatings, and forced displacement,
- Obstruction of delivery of humanitarian aid, including food³

Despite the egregious nature of these attacks, and the option of indictment by the International Criminal Court, thus far, the perpetrators have not been held accountable, and in fact continue unmolested in the security forces, as well as state and local government.

The prospects for retraining the security sector, particularly the police, as well as the arrest and trial of human rights violators are unclear. Repressive laws and structures remain in place. Government officials responsible for overseeing Crimes against Humanity remain in office. And, over 29,000 members of the security forces who participated in widespread abuse remain on the government payroll.

Perhaps more difficult, is the task of unraveling the decades old culture of authoritarianism and patriarchy for which the ruling party, ZANU-PF, has become known. This culture of paternalism and political intolerance, defined as 'Zanu-fication,' is reflected throughout all the country's political structures, including the MDC.

Collapse of the health system. In addition to high levels of HIV/AIDS, the country is beset by a continuing healthcare crisis, with high levels of cholera, malaria, and other treatable diseases leading to thousands of fatalities. Aggravating factors include migration of trained professionals, lack of drugs, materials, and supplies in the hospitals, and inability to pay health care workers. Today, "there are about 68% vacant posts for doctors."⁴

The most visible sign of the collapsed health care system has been the cholera epidemic. The outbreak began in August 2008, spread to all ten provinces in the country, and the neighboring countries. Almost 90,000 cases were reported, resulting in nearly 4,000

deaths. UN officials report that the outbreak has slowed, but that the situation remains grave with elevated amounts of cholera in every water source in Harare's most affected suburb, Budiriro.⁵

A January 2009 report issued by Physicians for Human Rights ⁶ states that "the Government of Zimbabwe has abrogated the most basic state functions in protecting the health of the population – including the maintenance of public hospitals and clinics and the support for the health workers required to maintain the public health system." The report notes that the public health system has been in decline for several years, but that "both public health and clinical care has dramatically accelerated since August 2008."⁷

Collapse of the education system. The country's formally stellar education system has ceased to function, resulting in a lost generation of youth who have not had access to education for prolonged periods. Additionally, teachers have been the target of physical violence and loss of property and only in April ended a prolonged wage-related strike. According to one Zimbabwean working in South Africa:

In the violence that took place from about April 18 through to June 27 last year, and in the spate of abductions that followed in the final part of the year, the teachers were among those targeted. Their schools and classrooms were also attacked. As a result last year was a lost year in terms of Zimbabwe's education targets. Families in a certain class were able to send their children to schools in neighboring countries. But ultimately young boys and girls lost on their dreams. The most painful cases are those of students who had key exams to write the GCE O and A level exams and those in Universities and Colleges, especially on the last leg of their studies. This year teachers are staying away from school. Their demand is a living wage and appropriate learning conditions in classrooms.⁸

Escalating migration. Political violence, poverty, and unemployment have caused the migration of an estimated three to five million Zimbabweans, creating a severe strain on the neighboring countries, particularly South Africa and Mozambique. According to Lawyers for Human Rights, "The Zimbabwean migration" includes "asylum seekers fleeing political persecution, economic migrants from a shattered economy, traders, shoppers and unaccompanied minors..."⁹ As faith in the new unity government wanes, migration is likely to continue and escalate.

Food insecurity. Approximately two-thirds of the country relies on food relief, as widespread hunger remains a threat due to the collapse of the agricultural sector, both subsistence and commercial. A terrible harvest in 2008 left millions in need of food assistance. The UN World Food Programme has collected \$240 million in donations to provide food aid for the country's 2009 crisis period, January – March.¹⁰ According to Famine Early Warning System Network, the April 2009 harvest has improved food supplies, but, the "limited purchasing power of most poor urban households continues

to constrain their food access.”¹¹ “However, in February, civil servants received a monthly allowance in foreign currency, which improved their access to food now sold in foreign currency.”¹²

Debt crisis. Zimbabwe is heavily indebted, with approximately \$5 billion outstanding to multilateral financial institutions, lending countries, and commercial creditors. The country’s \$1.4 billion arrears, leaves it ineligible for loans. According to Zimbabwean Senator Obert Gutu:

*As at December 1, 2008, Zimbabwe’s external debt stood at USD5, 255 billion, with a current account balance of – USD597 million. Put simply, the Republic of Zimbabwe is bankrupt since it has no capacity to service the afore-mentioned debt.*¹³

Economic collapse. As TransAfrica Forum has argued in the past, the reasons behind Zimbabwe’s economic decline are numerous, complex, and historical. The general assumption that the land distribution plan of the 1990’s is the sole reason for the country’s economic decline and food insecurity is flatly inaccurate.

Structural weaknesses: Many political economists identify the country’s unresolved structural weaknesses and systemic inequality built into the apartheid-like system constructed by the Rhodesian settlers as the primary root cause. Others, for example South African –based scholar, Patrick Bond, point to the related crises of Rhodesia’s “over-consumption” of the early 1970s. Whatever the beginning, analysts agree that at independence the country’s economy was skewed, for example:

- The entire national economy was designed to support the maintenance and enrichment of a small white minority. At independence fewer than “7,000 white farmers each owned, on average, more than 100 times the land available to the average African peasant.” These farmers had, for decades had benefited from government agricultural subsidies and investments in the farming sector;¹⁴
- Industry, mining and manufacturing sector were in the hands of multinational corporations and the white settler minority;
- The majority of the population had been systematically excluded from pool of skilled labor as well as the formal economy through a variety of legal and abusive measures.

Economic distortions continue today, mining, manufacturing, and most industry remains in the hands of external corporations, the white minority, or a small African elite. In addition, South African businesses are taking advantage of Zimbabwe’s weaker national economy to begin to establish a foothold in the country.

ESAP: Zimbabwe’s Economic Structural Adjustment Program (ESAP), which began in 1991, is also a factor in the country’s current economic decline. Despite Zimbabwe’s economic progress of the 1980’s, during which the economy grew at 4 percent from 1986

- 1990, the country accumulated massive debt, as well as high defense costs resulting from apartheid South Africa's war of regional destabilization. ESAP, as has been the case in many other countries, "undermined the country's industrial base."¹⁵ The imposition of tariffs on manufacturing inputs, trade liberalization, which exposed manufacturing companies to foreign competition, decreasing productivity, privatization, and imposition of user fees for education and health, decline in wages and employment were the main outcomes of the program. ESAP's "overall impact was deindustrializing, with foreign competition increasing dramatically,¹⁶" and a weakened economy.

Just as deregulation, speculation, and trade liberalization are the roots of the United States' current economic recession, so to in Zimbabwe.

Government mismanagement: Furthermore, the government's decision to provide a Z4.5Bn financial payout to militant war veterans in 1997 further increased the budget deficit and inflation.¹⁷ Moreover the military costs of war in the Democratic Republic of the Congo (1998 - 2003) and a steep decline in agricultural production following the land redistribution have added to the country's economic woe.

Today, the country is bankrupt. Unemployment in the formal sector stands at 90 percent. Fuel is "acutely scarce," electricity erratic, and external debt "continues to mount" and "the country has witnessed a deterioration of all major infrastructures."¹⁸ In April, the Reserve Bank Governor, Gideon Gono, admitted to stealing from individual and organizational foreign currency accounts in order to cover government shortfalls. Victims were many and included

- Universities that received external project support
- A Dutch development organization, Hivos, which had Euros taken from its account
- Global Fund to Fight Aids Tuberculosis and Malaria had 5.64 million taken from it's accounts in 2008¹⁹

THE INCLUSIVE GOVERNMENT

Despite these overwhelming challenges, the fragile new government formed by the September 15, 2008 Global Political Agreement is beginning to function, in the face of continued intimidation, manipulation and violence, including kidnapping, illegitimate arrests, and other unlawful acts perpetrated by supporters of ZANU-PF. The Human Rights NGO Forum reported 155 violations in March, as opposed to 435 in February.²⁰

While handicapped by internal division, the new government is working to overturn repressive laws, including restrictions on political expression, right of assembly, and free movement of peoples.

Importantly, the inclusive government's new economic plan, the Short Term Emergency Recovery Programme (STERP) reinforces support for equitable land redistribution. Specifically, the document states:

In the medium to long term, it will be essential and critical that the country guarantees **food security and self reliance**. In this regard, it is essential that we **address the land issue** consistent with the Global Political Agreement, which provides for a comprehensive transparent and **non partisan land audit** for the purposes of establishing accountability, gender equity and eliminating multiple farm ownerships as well as ensuring the restoration of full productivity on all agricultural land in the interest of all Zimbabwe people. Long term sustainable viability of agriculture can only arise if there is security of tenure through among other instruments, lease hold title, land permits and private financing of agriculture as recognized in the GPA. [Section 79; emphasis in the original]²¹

Additionally, the new government has made positive steps toward restoring economic accountability and sound management through: 1) Creating a plan for economic restructuring that addresses the recent history of economic mismanagement, spiraling inflation, and the collapse of the local currency, and 2) Ending the Reserve Bank of Zimbabwe's quasi-fiscal activities that financed the ZANU-PF system of fiscal patronage, that included:

- Removing unsustainable price controls,
- Initiating cash budgeting, and
- Reopening the stock market.

The key priority areas of the Short-Term Economic Recovery Programme (STERP) are;²²

a) Political and Governance Issues

- i. The constitution and the constitution making processes
- ii. The media and media reforms
- iii. Legislations reforms intended at:
 - a) Strengthening Governance and accountability
 - b) Promoting Governance and rule of law
 - c) Promoting equality and fairness, including gender equality.

b) Social Protection

- i. Food and Humanitarian Assistance
- ii. Education
- iii. Health
- iv. Strategically targeted vulnerable sectors.

c) Stabilisation

- i. Implementation of a growth oriented recovery programme
- ii. Restoring the value of the local currency and guaranteeing its stability
- iii. Increasing capacity utilisation in all sectors of the economy and, hence, creation of jobs
- iv. Ensuring adequate availability of essential commodities such as food, fuel and electricity
- v. Rehabilitation of collapsed social, health and education sectors
- vi. Ensuring Adequate Water Supply

OPPORTUNITIES FOR A NEW WAY FORWARD

Today, Zimbabwe's full transition to participatory democracy hangs in the balance; if the inclusive government fails the country is threatened with either Somalia-style collapse or a return to military rule.

The new government is hamstrung by a legacy of corruption, lack of accountability and transparency, and mismanagement in the state structures. These problems can only be overcome by maintaining momentum towards genuine democracy, which in turn requires support for its short term emergency recovery program. Accountability of all U.S. resources donated to support such a program can be assured through the systems established by the Zimbabwe finance ministry that will utilize a new Multi-Donor Trust Fund appropriately.

TransAfrica Forum urges the Congress and the Executive Branch to adopt the following course of action.

1. Expand support for democracy and governance programs. In 2008 USAID provided human rights, trade union, and election observation groups resources to monitor and report on the pre- and post- election process. These resources were critically important. As the locus of activity moves from election related activities to the difficult task of rebuilding democratic structures, reconciliation, and education and mobilizing activities related to drafting a new constitution, broad support for community-based and grassroots organizations is essential.

2. Continue humanitarian support, including food delivery and HIV/AIDS medication. While the 2009 harvest has increased the level of food supplies, Zimbabwe remains food insecure. The country will continue to need food assistance. The country's health sector will continue to need assistance with cholera, expected to resurge during the rainy season, as well as other communicable diseases.

3. Appoint of a Special Envoy. U.S. Ambassador McGee has received high marks for his work in the country. However, the regional nature of the crisis requires a comprehensive approach that can only be accomplished through the appointment of a Special Envoy with a mandate to engage government, the UN, multilateral agencies, as well as various civil society actors working throughout the region, particularly labor, human rights, women, and community-based organizations. A successful envoy would need to have a well-developed understanding of the Zimbabwe, and a demonstrated track record of participatory approaches to problem solving, as well as a demonstrated history of collaboration with civil society organizations.

4. Support a Debt Audit. Civil society groups have long called for an audit of Zimbabwe's debt. Currently, most debt analysts believe that the majority of the country's debt is largely odious, highlighting the need for a thorough audit of the country's existing debt. Additionally, a comprehensive audit could reveal not only the status of bi- and multi-lateral loan agreements, but also uncover evidence of fraud and mismanagement.

5. Contribute to the Multi-Donor Trust Fund. The recently announced Multi-Donor Trust Fund is administered by the United Nations Development Program, the International Monetary Fund, the World Bank, and the African Development Bank. It works in coordination with the inclusive government to ensure payment of the country's prioritized expenses, until such time as the country's finance structures have been reformed and made accountable and transparent. The Trust Fund will provide payment support for the following economic and social development activities:

- Monthly stipends to those providing essential social services, particularly within the health and education sectors.
- Rehabilitation and maintenance of physical infrastructure, including public buildings, roads and bridges, electricity and telecommunications networks, railroads and especially water/sanitation systems.
- Audit of the civil service, and monthly stipends for verified civil servants
- Technical support and inputs for small-holder farmers, in order to improve food security
- Credit mechanisms for commercial farming, industrial development and small business development
- Training for reform of the security sector; SADC does oversee a police training program, which could be extended to accommodate Zimbabwe's training needs.
- Civil society structures oriented to community mobilization and organization, and advocacy and accountability, in all social and environmental sectors and in all areas of Zimbabwe.

There are risks involved in providing support to Zimbabwe's economic development. As human rights activists and researcher point out, the fundamental systems of

repression and corruption remain in place. The officials responsible for the politicization of food aid, the collapse of the health sector, ongoing political violence, and the country's security system remain in place.

The Movement for Democratic Change, while a recipient of the majority vote, remains a minority player in the inclusive government. ZANU-PF retains control of the security sector, while MDC is responsible for the massive economic mess and its reconstruction.

For those committed to supporting a democratic dispensation in Zimbabwe, a fundamental question is: Given these circumstances, what is the best course of action? For TransAfrica Forum, the most important consideration is the need to provide support for the people of Zimbabwe, which has to include: 1) Targeting support to the most vulnerable; and 2) Ensuring that funds do not go through the government's coffers, thus ensuring no direct gain, particularly to the bloated security sector. The Multi-Donor Trust Fund should meet those objectives.

Beyond the humanitarian and mechanical, are other policy questions. If the Obama Administration supports the regional goal of a democratic, stable, economically prosperous Zimbabwe, what specific measures should the U.S. undertake in order to encourage that development? What targeted changes should be made that will reduce the authority and power of the toxic forces of repression inside the inclusive government?

The strategy of donor nations has been to facilitate the collapse of the country's economy expecting that Mugabe and ZANU-PF would in turn collapse. While Mugabe and the security operatives that surround him have been moved to the negotiating table, they have not fully conceded power and retain a level of support amongst the population. In this uneven playing field donor nations demand that the inclusive government produce concrete evidence of change. Yet the change agents are handicapped by both a lack of access to resources as well as the intransigence of the Mugabe forces.

Targeted support that prioritizes the needs of the most vulnerable, is transparent and accountable, and that is framed by the priorities outlined by the new STERP is one reasonable way forward. TransAfrica Forum does not make these recommendations lightly, but we have been swayed by the civil society voices from Zimbabwe and from the region. The conditions, in which Zimbabweans find themselves, and the prospect for deeper decay and disruption, require a change.

The current approach of starving the country to force change, risks increasing hostility towards the U.S. from all parties in the situation, as well as an acceleration of the current conditions: migration, poverty, disease, and complete failure of the state.

TransAfrica Forum is the leading U.S. advocacy organization for Africa and the African Diaspora in U.S. foreign policy. TransAfrica Forum helped lead the world protest against apartheid in South Africa and today works for human and economic justice for African people on the continent of Africa, in Latin America and in the Caribbean. Contact us: TransAfrica Forum, 1629 K Street, N.W., Suite 1100, Washington, D.C., 2006, 202-223-1960, www.transafricaforum.org.

¹ Gonda, Violet. *Zimbabwe: IMF Agrees to Set Up Multi Donor Trust Fund*. *AllAfrica Global Media (AllAfrica.com)*. 28 April 2009. <<http://allafrica.com/stories/printable/200904280903>>

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³ *Rome Statute of the International Criminal Court*. Office of the United Nations High Commissioner for Human Rights. 1 July 2002. <<http://www2.ohchr.org/english/law/criminalcourt.htm>>

⁴ *Short Term Emergency Recovery Programme (STERP), Getting Zimbabwe Moving Again*. Zimbabwe Ministry of Finance. March 2009: 24 .

⁵ *Zimbabwe: Cholera Outreach Fact Sheet #11 (FY 2009)*. USAID, 5 May 2009. <<http://www.reliefweb.int/rw/rwb.nsf/db900sid/EDIS-7PVV2A?Ope>>

⁶ *Health in Ruins, A Man Made Disaster in Zimbabwe*. January 2009. Physicians for Human Rights. <<http://physiciansforhumanrights.org/library/documents/reports/2009-health-in-ruins-zim-full.pdf>>

⁷ PHR press release, see copy

⁸ Isabella Matambanadzo, e-mail correspondence, 4, April, 2009.

⁹ *South Africa: Zimbabwean migration camouflages human traffickers*. IRIN, Humanitarian news and analysis. 1 May 2009. <<http://www.irinnews.org/printReport.aspx?ReportId=84186>>

¹⁰ WFP video on line – see website

¹¹ *FEWS Zimbabwe Food Security Update, Mar 2009-Early harvest improve rural food access*. Famine Early Warning System Network (FEWS NET). 9 April 2009. <<http://www.reliefweb.int/rw/rwb.nsf/db900SID/OYAH-7QXM4C?>>

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¹³ Paper to be presented by Senator O. C. Gutu at a Conference on Fair and Transparent Arbitration Mechanism on Illegitimate and Odious Debts; Johannesburg, South Africa; 30-31 March, 2009.

¹⁴ Zimbabwe Catholic Bishops Conference, Evangelical Fellowship of Zimbabwe, and Zimbabwe Council of Churches, *The Zimbabwe we Want*, (Harare, 2006).

¹⁵ *Padraig Carmody and Scott Taylor, Industry and the Urban Sector in Zimbabwe's Political Economy*, African Studies Quarterly; The Online Journal for African Studies, 27 May 2007 <<http://www.africa.ufl.edu/asq/v7/v7i2a3.htm>,>

¹⁶ Ibid, page 3

¹⁷ Ibid, page 6

¹⁸ Government of Zimbabwe Economic Policies, page 4.

¹⁹ Mutikani, Lucia. *Zimbabwe needs to do more for Financial Aid-Bank*. Reuters. 26 April 2009.3 May 2009. <<http://af.reuters.com/>> Cris Chinaka

²⁰ *Rights violations a threat to GNU*, 3, May, 2009 <http://www.thezimbabwetimes.com/?p=16140>

²¹ *Short Term Emergency Recovery Programme(STERP), Getting Zimbabwe Moving Again*. Zimbabwe Ministry of Finance. March 2009:29.- ,

²² *Short Term Emergency Recovery Programme(STERP), Getting Zimbabwe Moving Again*. Zimbabwe Ministry of Finance. March 2009:8.