

Zimbabwe's inclusive government: a tentative assessment

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Zimbabwe's inclusive government has begun to reconfigure the country's political landscape but it faces immense challenges to secure a broad-based recovery. Faced with an unprecedented external debt of US\$4,69 billion, a debilitated economy and an international community that is reluctant to provide the urgently needed funds for reconstruction, the shaky political arrangement finds itself in a difficult position. Despite signs of progress, including a reduction in political violence, arrest of inflation and a sustained decrease in general price levels, the reconstruction agenda is threatened by, among other things, internal wrangling, failure to resolve a series of contentious issues, and the unwillingness of major lenders to offer the government financial support on the basis that it would bolster Robert Mugabe and the Zimbabwe African National Union-Patriotic Front (ZANU-PF), whom they accuse of years of misrule.

Prospects for Zimbabwe's future remain uncertain and contested. While the inclusive government brought with it expectations of a new beginning, especially since the government was no longer exclusively in the hands of ZANU-PF, the presence of Robert Mugabe has provoked scepticism that he would undermine the reform agenda. This has raised questions about whether the new government is a historic opportunity to reconstruct the country, or a mere short-term political expedient. Of concern, too, is whether the West's 'wait and see' approach is tenable and fruitful. This brief considers these issues and makes a general appraisal of the state of affairs of the five-month inclusive government. The aim is to make policy suggestions that would help consolidate the reform and reconstruction agenda in Zimbabwe.

Power-sharing agreement

Zimbabwe's Global Political Agreement (GPA), signed on 15 September 2008, came into effect on 11 February 2009 after months of disagreement over the sharing of cabinet portfolios. The enactment of the GPA saw Robert Mugabe remain president, but cede some of his executive powers to Movement for Democratic Change (MDC) leader Morgan Tsvangirai, who became prime minister. Tsvangirai was charged with substantial responsibilities, including chairing the council of ministers responsible for the day-to-day management of the country's affairs.

The GPA prioritised the restoration of the economy and the rule of law, removal of sanctions, the land question, media reform, the crafting of a new constitution, and the promotion of national healing. The overarching agenda was to promote stability and create conditions for free and fair elections. Some saw the GPA as a landmark development that inspired the hope of reversing years of economic decline and repression, but sceptics saw it as a flawed arrangement that subverted the will of the people.¹ On the whole, however, there appeared to be no other viable alternative.

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ings marred by political rivalry which reflected the inherent divisions within the inclusive government, and attempts by political parties to narrow the constitution-making process to serve their interests.

This was a clear illustration of the daunting challenges that face Zimbabwe's constitutional reform process. If lessons from other contexts like Kenya are anything to go by, then the inclusive government may as well last its full term. Kenya has seen its politicians become locked in interests of self-preservation, avoiding at all costs any measures, such as elections, that would threaten their political survival and privileges.

The inclusive government has undertaken a number of initial measures to jump-start the reform programme. In April 2009, it launched an ambitious 100-day programme to initiate the economic recovery process, re-engage the international community and restore media freedom, among other goals. Under the programme, which runs from 28 April to 6 August, the country's 31 ministries are divided into five clusters namely, the economic, infrastructure, rights and justice, social and security clusters. Each of the five clusters has key result areas, targeted essentially at giving practical effect to the GPA. Seen as an important step towards recovery, the programme has been rocked by a shortage of financial resources. Progress towards compliance remains mixed.⁷

On the question of long-term reforms, the pace has been painfully slow. It is argued that some in government might see their future closely tied to the fortunes of the inclusive government and regard measures such as a new constitution as contrary to their immediate interests. Already, there are concerns that parties to the GPA are scheming to position themselves favourably for the next general election, in a move that could potentially threaten the reform agenda. It could also undermine the stability of government by engendering conniving and antagonism. The optimism of reversing years of political and economic turmoil is tempered by a feeling that the GPA has created two centres of power, that of the prime minister and that of the president, that would in the medium and long run lead to a dysfunctional government at war with itself.

The need for financial support

The immediate costs of reconstructing Zimbabwe remain significant. The country is currently utilising less than 20 per cent of its national capacity in all sectors of the economy.⁸ It has secured about US\$1 billion in credit lines from bilateral and multilateral sources, mainly in humanitarian assistance.

It has, however, recorded few inflows in budgetary support. The inclusive government has asked for \$10 billion to fund its stabilisation and recovery process, and although a multi-donor trust fund involving the World Bank, United Nations Development Programme (UNDP) and African Development Bank (AfDB) has been set up to mobilise resources, the task remains daunting. Most Western countries remain reluctant to contribute because of their mistrust of Mugabe.

Moreover, Zimbabwe still faces sanctions in respect of omissions and commissions arising from bilateral and multilateral instruments such as the Cotonou agreement with the European Union (EU).⁹

In 2002, the EU invoked Article 96 of the Cotonou Agreement to slap sanctions on Harare. It also suspended development co-operation (financing of budgetary support and other projects that are not in direct support of the population) because of what was perceived as the failure of the Zimbabwean government to prevent political violence and respect the principles of democracy, human rights and the rule of law.

These sanctions remain in place. Zimbabwe also faces restrictions on accessing credit facilities from international financial institutions due to non-compliance with borrowing requirements. The country owes US\$89 million to the International Monetary Fund (IMF), US\$600 million to the World Bank, and US\$429 million to the AfDB. Meanwhile, the United States retains the Zimbabwe Democracy and Economic Recovery Act (ZIDERA) which imposes multilateral financing restrictions pending an 'effective democratic change and restoration of the rule of law'.

While the African Union (AU) has called for an immediate lifting of sanctions against Zimbabwe in order to give the inclusive government a chance to resolve the humanitarian and economic crises, several Western countries made the lifting of sanctions and increasing aid conditional on a return to democratic rule and the pursuit of reforms. Most have routed aid through non-government organisations in order to avoid 'propping up Mugabe'. The risk, however, is that this move undermines the budgetary system and reconstruction agenda of the government. Zimbabwe's course is not helped by the constrained international economic circumstances that have followed the international credit crunch. As major lenders wait to see reforms, the inclusive government faces problems paying its workers, with labour organisations threatening industrial action. The net impact of the resource shortfall remains widespread, severely limiting the capacity of the inclusive government to reconstruct the country and pursue reforms. There is real fear that the lack of external

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support could strengthen the hand of hardliners in Mugabe's ZANU-PF who would like to see the new government fail, fearing loss of power and influence should it succeed.

The inclusive government receives about \$20 million a month from local revenues, but requires about \$100 million to fund its basic operations.¹⁰ In the immediate term, it has undertaken a number of confidence-building measures, including legalising several currencies and seeking to put in place budget priorities since nearly all sectors are in dire need of financial support. Critically, it has adopted the Short Term Emergency Recovery Programme (STERP), a capacity-based rehabilitation programme that seeks to stabilise the macro- and microeconomic fundamentals and lay the foundation for mid- to long-term economic transformation and to turn Zimbabwe into a progressive developmental state.¹¹

The programme will be in force until December 2009. At the end of this period, STERP is expected to have delivered, among other things, a sustainable economy through the revival of productive sectors and infrastructure, ensured food sufficiency, weaned the country off price distortions, resuscitated public services delivery, generated employment, established social protection measures to mitigate poverty, and created an environment conducive to investment. At the end of STERP, the government is expected to have guaranteed freedom of expression and property rights, and ensured the lifting of sanctions and integration into the international community.

In crafting STERP, the government held consultations with a number of sectors, especially labour and business. The motivation was to nurture a 'people driven' and inward looking rehabilitation strategy. While some see the initiative as a step in the right direction, others accuse STERP of glossing over issues for political effect, arguing that since it is only a short-term economic revival programme, it lacks an overarching developmental vision and specific measures to deal with the structural distortions and rigidities arising from the dual and enclave economic structure.¹² It is also accused of not addressing the structural development challenges inherent in the economy. The successful implementation of STERP depends on the mobilisation of about US\$5 billion, which so far the government has failed to achieve. In June 2009, Prime Minister Morgan Tsvangirai embarked on a three-week tour of the United States and Europe with the aim of convincing world leaders to re-engage with Zimbabwe, and managed to secure about \$200million, a scant return compared with the US\$5 billion needed for STERP. Tellingly, very little of this was to go to the government, an indication that Western countries are still sceptical about the political arrangement.

To help maintain consistency in the pricing of goods and

services, the inclusive government is considering a currency policy involving either using the South African rand as its permanent official currency, re-denomination of the Zimbabwe dollar, or continuing with the current multiple currency system. Despite halting the country's inflation, the current multiple currency system is accused of hurting the poor and those in the rural areas who do not have access to foreign currency. Currently, there are a number of southern African countries, including Lesotho and Swaziland, that are using the rand as their official currency. Zimbabwe will need to get permission from South Africa's finance authorities as per South African law if it wants to go the same route. Notably, investors from South Africa are reportedly waiting for the implementation of a new bilateral investment promotion and protection agreement before moving in.

Prospects

An important question to be asked is whether or not the inclusive government provides an incremental approach to dealing with Zimbabwe's problems. Does it offer the country an opportunity to pursue reforms and establish viable institutions, or is it likely to undermine the country's long-term stability?

The inclusive government remains a work in progress and its prospects are contested. At a basic level, there is no doubt that things have improved since the signing of the GPA. It has provided a basis for reducing violence, at least in the short term, and has shown signs of starting to revitalise the economy. Given the lack of more viable alternatives, the inclusive government can be seen as a logical response to Zimbabwe's protracted problems. There are reasons to believe that Zimbabwe is showing signs of recovery and a complete implementation of the GPA will go a long way towards promoting stability and the consolidation of democracy.

The government will, however, need to address a number of urgent issues. Among them is the question of the agricultural sector, which needs to be stabilised as quickly as possible. The starting point should be a political settlement to the land ownership issue. Emphasis should then be placed on reviving the agricultural sector to spur the economy, alleviate poverty, and help the country secure foreign exchange. There are various other issues, including restoration of the rule of law, security sector and media reforms, the crafting of a new constitution, and the promotion of national healing which the government will need to attend to with more urgency. The government needs to realise that it does not have the luxury of time on its side.

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The focus should be on ensuring that at the end of the transition period the country has consolidated critical institutions to play their rightful roles. These include an independent electoral commission and judiciary, a free press, a people driven constitution, security forces that respect the rule of law, and a vibrant civil society. In the absence of strong democratic institutions, even well-meaning individuals could easily be corrupted. Lessons from other international experiences, such as Liberia,¹³ show that co-ordination, resources and time are always essential for an effective recovery and reconstruction process. Zimbabwe's inclusive government must, however, be careful to manage the expectations of its people. Some may want to see immediate changes in their daily lives and will easily become disillusioned if they do not see quick results.

The international community will also need to help Zimbabwe by taking an approach that is guided by the interests of ordinary Zimbabweans rather than individual politicians. While the country's protracted power struggle largely pitted Robert Mugabe against Morgan Tsvangirai, the real question that should be asked is not whether to support Mugabe or Tsvangirai, but rather whether the interests of the people of Zimbabwe are being met. If the government is not afforded this support, the bloated administration may easily find it difficult to carry out the basic functions of a state. Should Zimbabwe's political arrangement break down prematurely, it could lead to another political and economic crisis and the greatest loser in such a scenario would be the MDC, which has risked its credibility by joining ZANU-PF in a coalition government.

Indeed, the inclusive government presents new challenges, especially for the MDC. The party has long been bound together largely by the objective of dislodging Mugabe and ZANU-PF from power. By joining the inclusive government, the MDC will be forced to compromise and moderate for the sake of collective responsibility and unity of the government. This, however, may be interpreted by some of its supporters as selling out. What the MDC needs to do is to define a set of measures to keep it together. This includes engaging with its civic constituency and partners, and clearly articulating its agenda. In the inclusive government the MDC is more likely to meet with success if it frames its demands in a way that emphasises joint benefit, rather than by adopting a combative or competitive approach. So far, the MDC has done relatively well in consulting and involving the civil society in formulating the government's agenda.

As the inclusive government traverses the uncharted power-sharing terrain, the path will remain murky. Its suc-

cess or failure will depend on a number of factors, including patience, trust, and a focus on the common good. It will depend on the political will of internal actors as well as external goodwill and support. It is important that the coalition partners avoid carrying conflicting political agendas into the government otherwise precious time, energy and resources will be wasted in rivalries and political jockeying. Implementing power-sharing arrangements can be difficult, as groups holding power are reluctant to relinquish it, while those without it tend to want massive change to occur more quickly. Where partners are under pressure from hardliners who oppose compromise and the sharing of power with opponents, as is suspected to be the case in Zimbabwe, it may result in the politics of 'outbidding' making it difficult to reach joint decisions. Often, with the passing of time, dominant parties in coalition arrangements become less and less inhibited by the coalition agreement. They often seek to maximise their interests because they know that when push comes to shove, they will prevail.

In a country where more than 3 000 people died of cholera earlier this year, and with more than 70 per cent of the population requiring food assistance, the reconstruction process remains urgent and calls for commitment to implement the GPA and guarantees in the form of broader international support. Otherwise, for all the endorsement of the GPA as a triumph of home-grown diplomacy, and an important move towards stabilising Zimbabwe, the country's future remains far from secured.

Conclusion

The inclusive government is littered with imperfections but it remains a step forward rather than backward. It embodies a transition away from political violence and economic turmoil. Some tenets of change have found expression in the way the government is operating. It should be viewed as an imperfect and temporary solution to a profoundly unstable political, economic and humanitarian situation. However, as limited in scope as the arrangement is, there appears to be no other viable alternative.

The inclusive government offers a window of opportunity that must be engaged. The mere conclusion of the GPA is, however, not sufficient for the accord to work. It may provide hope to Zimbabweans that there is an opportunity for change, but pronouncements and plans will remain empty unless they are matched by real political will and international support.

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Policy recommendations

The international community (including the Southern African Development Community and the African Union as guarantors of the GPA)

- Guard the GPA against inherent risks, especially by those unhappy with reforms, through monitoring and pursuing policy on the basis of the core values of democracy, the rule of law, and good governance.
- Consider shifting policies on sanctions and financial support to reflect the pressing need of the people of Zimbabwe rather than political personalities.

Inclusive government

- Ensure immediate and sustained cessation of intimidation and human rights abuses.
- Open the space for media and civil society engagement and assume more urgency in implementing long-term reforms to critical institutions such as the security sector, the judiciary, and the electoral commission to ensure they play the constructive roles they were designed to.

Civil society

- Find ways to check, monitor, and restrain the power of political leaders and ensure that the state plus external interventions are responsive to the needs of the people of Zimbabwe. ■

Endnotes

- 1 See Kola Ibrahim, 'Masses sold out in the name of "power sharing"'. <http://socialistworld.net/eng/2009/03/0402.html> Accessed 2 July 2009.
- 2 BBC, 'Zimbabwe PM defends Mugabe unity'. <http://news.bbc.co.uk/2/hi/africa/8111392.stm> Accessed 26 June 2009.

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- 4 The dispute over the appointments of the Central Bank Governor Gideon Gono and Attorney-General Johannes Tomana had by the time of writing this article been referred to the Southern African Development Community (SADC), the guarantor of the GPA, for mediation.
- 5 'Zimbabwe officials wrangle over bank turf'. http://www.upi.com/Top_News/2009/06/20/Zimbabwe-officials-wrangle-over-bank-turf/UPI-61971245546174/ Published: 20 June 2009 at 9:02 pm. Accessed 27 June 2009.
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- 8 Kitsepile Nyathi, 'Zimbabwe to use Comesa as economy catalyst'. <http://www.nation.co.ke/News/africa/-/1066/606646/-/139yctwz/-/index.html>, posted Thursday, 4 June 2009 at 15:15.
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- 10 Zimbabwe Business Watch, Week 16, 14 April 2009. <http://www.sokwanele.com/thisiszimbabwe/archives/3978>
- 11 See 'Short Term Emergency Recovery Programme (STERP)'. <http://www.savezimbabwenow.com/wp-content/uploads/2009/03/sterp.pdf>
- 12 Lovemore Kadenge, 'A critical review of STERP'. *The Financial Gazette*, 17 April 2009. http://www.fingaz.co.zw/index.php?option=com_content&view=article&id=707:a-critical-review-of-sterp&catid=44:economics-society&Itemid=92
- 13 See The Liberian Reconstruction & Development Committee (LRDC), 'Towards an Aid Coordination Policy Framework'. http://www.worldbank.org/ieg/licus/conference/presentations/Natty_Davis.pdf

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ISSN 1607 2375

Produced by Acumen Publishing Solutions, Johannesburg.