# **Policy Briefing**

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# Zimbabwe: Engaging the Inclusive Government

#### I. OVERVIEW

After nearly a year of seemingly endless talks brokered by the Southern African Development Community (SADC), Zimbabwe's long-ruling ZANU-PF party and the two factions of the opposition Movement for Democratic Change (MDC) formed a coalition government in February. Opposition entry into government is a landmark development, and broad segments of the population are optimistic for the first time in years that a decade of repression and decline can be reversed. There is considerable international scepticism whether the flawed arrangement can succeed; many are tempted, with some reason, to second-guess the decision of mainstream MDC leader Morgan Tsvangirai to accept the deal under SADC and ZANU-PF pressure. But he had no good alternative, given a collapsed economy and humanitarian catastrophe from which his constituency was suffering. Donors should re-engage and apply a "humanitarian plus" aid strategy. South Africa, in collaboration with SADC, should negotiate retirement of hardline senior security leaders in the lifespan of the inclusive government.

The long talks over implementation of the Global Political Agreement (GPA) signed by ZANU-PF and the MDC on 15 September 2008 gave few signs that President Robert Mugabe genuinely accepts the need for political and economic reforms and national reconciliation. He has described the new inclusive government as a temporary one in which ZANU-PF remains in the driver's seat. By contrast, Tsvangirai sees it as a transitional process that can stabilise the country, leading to elections under a new constitution in two years. In effect, the deal has established two power centres and left the ZANU-PF establishment ample opportunities to block or undermine reforms.

Some old regime elements seek to cause the new government to fail, out of fear of prosecution, loss of power and its financial sinecures, hatred for Tsvangirai or the MDC or a genuine belief that they are the guardians of the country's liberation. They are thus continuing to provoke and frustrate the MDC, as shown by such actions as continuing arrests and detention of MDC activists, refusal of police to carry out some government orders, efforts to drive out the last few hundred

white farmers by continued farm invasions and stalling on the appointment of provincial governors as well as reconfiguration of ministerial powers.

Nevertheless, there are at the same time signs that a more constructive political dynamic is developing, including within the parliament, the one institution with some democratic (if imperfect) legitimacy and where cross-party collaboration will be needed to pass major reform legislation. Also, while the humanitarian and economic situations remain dire, there have been some signs of improvement: many schools have reopened, prices have stabilised, basic stocks are returning to shops and civil servants are being paid at least a modest stipend. As a result, Tsvangirai's political credibility is rising.

The intense internal struggle to control ZANU-PF after Mugabe goes has led one faction (that of the husband-wife power team of Vice President Joice and ex-general, now businessman, Solomon "Rex" Mujuru) to explore cooperation with the Tsvangirai faction of the MDC (MDC-T). The smaller MDC faction led by Arthur Mutambara (MDC-M) was used by ZANU-PF in its attempt to manipulate the SADC negotiations but now increasingly sees its political survival, beyond the term of the inclusive government, as dependent on brokering parliamentary compromises and moving closer to the Tsvangirai wing.

It would be premature for the U.S., the European Union (EU) and others to remove the targeted sanctions (travel bans, asset freezes) against key members of the Mugabe regime or to fully embrace the inclusive government. But they as well as SADC members should work in a concerted fashion among themselves and with both formations of the MDC as well as progressive ZANU-PF elements to help make the reform process irreversible. The following steps should be taken now to support such efforts:

Donors should pursue a "humanitarian plus" assistance strategy that covers the priority areas in the government's Short Term Emergency Recovery Program (STERP), including revival of the education, health and water sanitation sectors, as well as a functioning civil service, and reconstruction of basic infrastructure. Zimbabwe should be treated as

a post-conflict society in need of some front-loaded aid. Donors might also create a contact group, both to support the political process and to coordinate aid flows.

- □ SADC countries, most significantly South Africa, should also provide more direct assistance but require strict compliance with the GPA and avoid in particular direct support to the Reserve Bank, which remains in the control of Mugabe loyalist, Gideon Gono, and could be expected to divert it to ZANU-PF patronage networks.
- □ Support is also needed for programs to reform politicised legal institutions, including the judiciary, and strengthen civil society that has been deeply fractured in recent years, including religious, press, labour, academic, women's and youth groups. SADC and the Commonwealth secretariat might work together to build parliament's legislative and oversight capacities.
- □ To counter the greatest and very real stability risk an attack against Prime Minister Tsvangirai or a military coup a strategy is needed to retire virtually all members of the security sector senior leadership. Persuading them to go peacefully will not be easy: the generals fear the post-Mugabe era. The government could create leverage with a law that offers immunity to senior generals from domestic prosecution for past political crimes (excluding crimes against humanity, war crimes and genocide) in return for retirement. At the same time, it should create a panel tasked to recommend the modalities for setting up transitional justice mechanisms such as a truth commission and vetting processes as part of security sector and other administrative reforms.

The U.S., EU and others could, in accordance with their laws, sweeten the deal by removing targeted sanctions on those who accept and comply. The new South African president, working with the SADC mediation team, should negotiate with the generals, making clear that those who do not step aside risk prosecution for their crimes domestically or internationally.

# II. HOW THE INCLUSIVE GOVERNMENT WAS FORMED

Ten months after the 29 March 2008 elections, the MDC-Tsvangirai (MDC-T) announced it would enter the government alongside ZANU-PF and MDC-Mutambara (MDC-M). The announcement followed an extraordinary SADC summit on 26 January 2009, whose final communiqué stated that the prime minister

should be sworn in by 11 February and the government on 13 February.<sup>1</sup> The MDC-T initially denied it had agreed to this timetable<sup>2</sup> and said its national council would decide on 30 January. However, Tsvangirai eventually declared his party would join the government and stick to SADC's schedule.<sup>3</sup>

This decision to join the government was made amid major divisions within the party. While Tsvangirai was pushing to enter, a faction led by Tendai Biti the secretary general and lead negotiator at the talks with ZANU-PF – was opposed.<sup>4</sup> This faction argued that the best option was to continue to mobilise support at home and abroad so as to pressure Mugabe to resign the presidency. Tsvangirai's preference was to initiate reforms through government, then win the next election decisively. After months of stalemate, the choices had narrowed, the party did not have a Plan B, and the deepening humanitarian and economic crisis was threatening its support base. With almost no chance that the African Union (AU) would agree to take on the Zimbabwe case, there was no realistic way to challenge SADC.5 This left the party with the choice of being blamed for the failure of the Global Political Agreement (GPA) or entering the government, despite its shortcomings.<sup>6</sup>

Nelson Chamisa, the MDC-T spokesperson and now communications minister, told Crisis Group: "Over the years we have been winning elections but not taking over power, so we had to change strategy. We had

<sup>&</sup>lt;sup>1</sup> "Communiqué Extraordinary Summit of the SADC Heads of State and Government", 27 January 2009, at www.sokwanele. com/thisiszimbabwe/archives/3132. On 11 February 2009, Tsvangirai became prime minister and Mutambara and Thokozani Khupe (MDC-T vice president) became deputy prime ministers under the terms of the GPA.

<sup>&</sup>lt;sup>2</sup>"MDC Statement after SADC Talks", 27 January 2009, at www.thezimbabwestandard.com/local/19611-mdc-statement-after-sadc-talks.html.

<sup>&</sup>lt;sup>3</sup> "Statement by President Tsvangirai on the Resolutions made by the National Council", 30 January 2009, at http://allafrica.com/stories/200901300702.html.

<sup>&</sup>lt;sup>4</sup>Crisis Group interview, MDC National Executive Council members, Pretoria, 6 February 2009.

<sup>&</sup>lt;sup>5</sup>Most Western and several prominent African leaders had publicly called on Mugabe to step down. Mugabe claimed their calls demonstrated especially Western interference in the country's internal affairs. See Crisis Group Africa Briefing N°56, *Ending Zimbabwe's Nightmare: A Possible Way Forward*, 16 December 2008, Section II.B. Several heads of state, including Botswana President Ian Khama, reportedly opposed the GPA during the closed summit sessions, pushing without success for new elections.

<sup>&</sup>lt;sup>6</sup>See the analysis of the GPA in ibid.

to share power in order to take it". The MDC-T pointed to some ZANU-PF concessions to explain its choice. In reality, little additional was offered after the party had insisted implementation of the GPA was impossible without further negotiations. Mugabe and Tsvangirai met privately a week ahead of the SADC summit and reportedly agreed on a compromise that was subsequently presented as SADC's position and led to the deal. "The private meeting between Tsvangirai and Mugabe in Harare was the deal clincher", Crisis Group was told. "The SADC summit was merely going through the motions and giving it a veneer of continued mediation by the regional body". 9

The allocation of cabinet portfolios and provincial governorships remained contentious, as SADC did not arbitrate the latter and endorsed Mugabe's unilateral allocation of ministries, 10 only stating that the dispositions should be reviewed six months after formation of the government. A Joint Monitoring Implementation Committee (JOMIC), as provided in the GPA, was set up to review and reverse possible breaches of the agreement, but several issues were not addressed at all in the summit's final document. These included Mugabe's controversial unilateral re-appointments of Reserve Bank Governor Gideon Gono and Attorney General Johannes Tomana, which were left for the government itself eventually to deal with. Nor was there any understanding about the release of MDC activists who have been illegally seized and detained, an issue that the party had repeatedly said would have to be settled before it could work with ZANU-PF.

Formation of the government by ZANU-PF and the two MDC factions triggered struggles both between and within the parties, as groups across the political divide lobbied for control or influence. Mugabe pressed Tsvangirai and Mutambara hard to agree to create ten ministerial and fifteen deputy ministerial positions beyond the number envisaged in the GPA, so he could accommodate more allies and thwart rebellion in the long-time ruling party. But his announcement of an

enlarged list of 23 ministers on the day the government was to be sworn in triggered a dispute with both MDC formations. A ZANU-PF politburo member said Mugabe "wanted to ensure that key members in every faction of the party were involved in the inclusive government in order to get a much needed buy-in and achieve a balancing act". Heading off party revolt was vital ahead of the December 2009 ZANU-PF Congress. The SADC chairman, South African President Kgalema Motlanthe, broke the impasse by asking that the additional nominees not be sworn in and the principals hold further talks on cabinet size. 14

Statements by Mugabe to his politburo and party supporters that the inclusive government was a temporary arrangement that would pave the way for fresh elections within two years under a new constitution ultimately helped Motlanthe persuade Tsvangirai and Mutambara to agree to the increase in ministerial portfolios. With their eyes on the next elections, the MDC leaders concluded that an enlarged transitional cabinet gave them the opportunity both to accommodate key allies and help close their own ranks. <sup>16</sup>

The Ndebele wing of MDC-T,<sup>17</sup> for example, had been complaining of under-representation in the government, though it had strongly supported Tsvangirai in the 2008 elections,<sup>18</sup> while Mutambara badly wanted an extra slot with which to appease his faction's vice president, Gibson Sibanda.<sup>19</sup> In the expanded cabinet, Mugabe obtained six additional ministerial posts for his allies, while MDC-T received two more, and MDC-M

were to be fifteen deputy ministers, eight nominated by ZANU-PF, six by MDC-T, one by MDC-M. In the revised arrangement, ZANU-PF has 21 ministers, MDC-T fifteen and MDC-M four deputy ministers.

<sup>&</sup>lt;sup>7</sup>Crisis Group interview, Nelson Chamisa, Harare, 13 March 2009.

<sup>&</sup>lt;sup>8</sup>Tsvangirai indeed declared after the party's National Council met that "the concessions made by ZANU-PF incorporate four out of five outstanding issues". See "Statement by President Tsvangirai", op. cit.

<sup>&</sup>lt;sup>9</sup>Crisis Group interview, intelligence services official, Harare, 13 March 2009.

<sup>&</sup>lt;sup>10</sup>Mugabe had unilaterally allocated ministries in November 2008 despite Tsvangirai's request they be shared on a parity basis that would have meant the MDC-T would receive home affairs if ZANU-PF was in charge of defence.

<sup>&</sup>lt;sup>11</sup>The GPA provided for 31 ministers, fifteen nominated by ZANU-PF, thirteen by MDC-T, three by MDC-M. There

<sup>&</sup>lt;sup>12</sup>The dispute nearly derailed the ceremony, delaying it for five hours. Crisis Group interview, Tendai Biti, MDC-T secretary general and finance minister, Harare, 15 March 2009; "How Mugabe nearly scuttled swearing ceremony", *The Zimbabwe Times*, 13 February 2009.

<sup>&</sup>lt;sup>13</sup>Crisis Group interview, Harare, 11 March 2009.

<sup>&</sup>lt;sup>14</sup> "Mothlante breaks Cabinet impasse", *The Standard*, 14 February 2009.

<sup>&</sup>lt;sup>15</sup> "Inclusive government temporary – Mugabe", *The Herald*, 6 February 2009; Crisis Group interview, MDC negotiating team member, Harare, 14 March 2009.

<sup>&</sup>lt;sup>16</sup> "Tsvangirai's list sparks uproar", *The Business Day*, 12 February 2009.

<sup>&</sup>lt;sup>17</sup>The Ndebele are Zimbabwe's second most populous ethnic group.

group.

18 "Rebellion in MDC T over Cabinet list", *The Zimbabwe Independent*, 11 February 2009.

<sup>&</sup>lt;sup>19</sup>Crisis Group interview, MDC-M parliamentarian, Harare, 10 March 2009. Mutambara used his original cabinet allocations to reward the negotiators who secured his role as deputy prime minister.

one minister of state. Tsvangirai and Mutambara in effect agreed with Mugabe that the three leaders had a common interest in satisfying supporters that trumped the national interest in a lean and relatively inexpensive cabinet.

# III. PARTY STRATEGIES

The three main parties are employing various strategies to maintain their political bases while working within a unity government and preparing for elections in two years. ZANU-PF is grappling with the Mugabe succession at the same time as it struggles to retain the levers of power. The two MDC formations are trying to find common ground on which to cooperate both in government and parliament, while asserting themselves in governance structures that have been politicised for over three decades and exploring whether they can reunite before they must present their record to the electorate.

#### A. ZANU-PF

Resistance from hawks within ZANU-PF, in particular the military leadership who fear the personal consequences if Mugabe gave up power, partly explains why the SADC mediation dragged on for almost a year. The resistance to a new order is strong among these groups, and they continue to seek a common strategy by which to undermine the government. A ZANU-PF politburo member told Crisis Group: "The military leaders, whose influence spread through the structures of party and government, were the ones dictating the course of the negotiations, and Mugabe needed their buy-in at every critical stage up to the day the deal was clinched. Even after the formation of the inclusive government, they are still fighting to re-assert their authority, and Mugabe is bound to listen to them". The particular the particular to the particular the particular

ZANU-PF's overall objective during the negotiations was to legitimise Mugabe's presidency, bring the MDC into government as a distinctly junior partner that could help stabilise the economy and obtain removal of Western targeted sanctions on the ruling party's leadership.<sup>22</sup> Now, however, three major factions are following different strategies as they seek to exert influence within the government and position themselves to succeed

<sup>20</sup>Crisis Group interview, South African government official privy to the mediation talks, Pretoria, 8 February 2009.

Mugabe, who has balanced them against each other and not picked a successor.

The Mugabe-Chiwenga axis

A government official close to Mugabe summed up the president's attitude toward the governmental arrangement as follows: "Mugabe sees the inclusive government as a platform to give him a dignified exit with full security guarantees from the principals, including Tsvangirai. In the final scheme of things, Mugabe sees Tsvangirai as his ultimate guarantor". Mugabe banks on the knowledge that neither of his touted successors, Joice Mujuru or Emmerson Mnangagwa, could presently win an election against Tsvangirai, thus giving him the liberty to choose when and under what terms to leave.

While maintaining the balance of forces within the party, Mugabe secured government positions for his loyalists. His camp works on multiple fronts with the powerful hawkish military elements represented by generals who include Defence Forces Commander Constantine Chiwenga, Air Force Commander Perence Shiri, his deputy Henry Muchena, Major Generals Martin Chedondo and David Sigauke, Prisons Director Paradzai Zimondi and Police Commissioner Augustine Chihuri. First Lady Grace Mugabe, Reserve Bank Governor Gideon Gono, Chief Justice Godfrey Chidyausiku, presidential spokesperson George Charamba and Attorney General Johannes Tomana constitute the civilian face of this grouping, whose influence extends across the civil service, security and judiciary sectors.

As the negotiations dragged on, Mugabe told Tsvangirai that he was under pressure to cancel the mediation from the military, which was opposed to the process from the onset.<sup>26</sup> A senior defence ministry official told Crisis Group: "The military group felt that under the inclusive government, its power base was going to be heavily eroded. They feared it would destroy the patronage network and leave them exposed".<sup>27</sup> During the final stages of the talks, Mugabe asked Gideon Gono to persuade the generals to accept the inclusive government by providing reassurance that he would remain in control of finances, that the government was

<sup>&</sup>lt;sup>21</sup> Crisis Group interview, Harare, 10 March 2009.

<sup>&</sup>lt;sup>22</sup>Crisis Group interview, senior ZANU-PF politburo member, Harare, 13 March 2009.

<sup>&</sup>lt;sup>23</sup>Crisis Group interview, government official, Harare, 12 March 2009.

<sup>&</sup>lt;sup>24</sup>Mugabe loyalists in the cabinet include Local Government Minister Ignatius Chombo, Minister of State in the President's Office Didymus Mutasa, Agriculture Minister Joseph Made and Minister of State (National Healing) John Nkomo.

<sup>&</sup>lt;sup>25</sup>Crisis Group interview, senior army officer, Harare, 13 March 2009.

<sup>&</sup>lt;sup>26</sup>Crisis Group interview, senior MDC official privy to the SADC negotiations, Harare, 13 March 2009.

<sup>&</sup>lt;sup>27</sup>Crisis Group interview, Harare, 15 March 2009.

a temporary arrangement and that their security and tenure were not at risk.<sup>28</sup> Gono enjoys great support from the military leadership, most of whom have benefited from his patronage network and have basically been on his payroll.

The Chiwenga faction in the military leadership remains opposed to the inclusive government, wants to see it crumble but is reportedly held back by Mugabe, who fears a backlash from SADC and the wider international community. At the same time, "Mugabe is held hostage by a group of military chiefs. Until the security of these leaders is guaranteed, they will not allow Mugabe to make any move which leaves them exposed, let alone allow him to retire. If this group is not managed well, it will be a source of instability which can engineer a coup against this government or prevent a smooth transition after new elections". <sup>29</sup> Chiwenga regards attempts to remove Gono from the Reserve Bank, where he doubles as Mugabe's personal banker, as possible justification to derail the government.

Mindful of the destabilisation Gono's removal would mean, Tsvangirai and his finance minister, Tendai Biti, have for the time being chosen to ignore calls by Western donors that he be fired as a condition for resumption of major aid and have adopted the tactic of isolating him and the Reserve Bank from important decisions on the economy.

# The Mnangagwa faction

Mnangagwa believes he has a head start in the Mugabe succession contest given the key role he played to keep Mugabe in power following the first round of presidential elections in March 2008 and during the SADC mediation process. Though rewarded with the defence portfolio in the inclusive government that gives him an opportunity to bring the generals over to his side, his failure to obtain more cabinet jobs for his allies was a setback. During the SADC mediation process, he and his ally, chief ZANU-PF negotiator Patrick Chinamasa, had tried to secure endorsement of a government with the MDC-M faction but without

Tsvangirai<sup>32</sup> and in which Mnangagwa himself would be prime minister.

Tsvangirai's decision to join the inclusive government surprised both the Mnangagwa camp and the military hawks and frustrated their plan for an essentially ZANU-PF government. Mnangagwa's supporters now share with elements of the Chiwenga group a desire to sabotage the new government. Some of the early tactics by which they seek to put Tsvangirai under pressure and make the government dysfunctional include the arrest of Roy Bennett, the MDC-T national treasurer and deputy agriculture minister-designate (who Mugabe reportedly is refusing to swear into the cabinet); continued incarceration of MDC activists; encouraging Mugabe's unilateral appointment of permanent secretaries and reconfiguration of ministerial powers so as to favour ZANU-PF; renewed farm invasions; and stalemating talks on the future of Gono and Attorney General Tomana and the appointment of provincial governors. Their wider strategy is to capitalise on the MDC's inexperience in governing in order to defeat the reforms Tsvangirai intends to fast-track before elections.

Due to the Mnangagwa faction's actions and Mugabe's acquiescence, the security situation remains highly precarious, with dozens of activists still in jail, accused of terrorism or plotting to overthrow Mugabe. Politically-motivated arrests are still taking place. Judges are under pressure to comply with ZANU-PF demands, 33 and the police have repeatedly refused to obey government and court orders. 34 However, the military establishment is showing signs of increasing division. Lowranking soldiers have started to disobey their commanding officers' orders and have looted shops due to low or unpaid salaries. Fear of mutiny is reportedly widespread, leading army commanders to put severe restrictions on the issuance of weapons. 35

Mnangagwa has developed a multi-pronged approach to capture state power.<sup>36</sup> He ensured that a majority of his supporters were elected to provincial chairmanships under the party's restructuring exercise. The plan is to

<sup>&</sup>lt;sup>28</sup>Crisis Group interview, senior military officer, Harare, 14 March 2009.

<sup>&</sup>lt;sup>29</sup>Crisis Group interview, senior military officer, Harare, 13 March 2009.

<sup>&</sup>lt;sup>30</sup>Crisis Group interview, ZANU-PF politburo member, Harare, 11 March 2009. Mnangagwa directed the bloody June 2008 run-off campaign as Mugabe's chief election agent. As ZANU-PF legal affairs secretary, he was the key adviser at the SADC mediation.

<sup>&</sup>lt;sup>31</sup> As defence minister, he sits in the National Security Council and can assert authority in the security apparatus.

<sup>&</sup>lt;sup>32</sup>Crisis Group interview, South African government official privy to the mediation, Pretoria, 2 March 2009.

<sup>&</sup>lt;sup>33</sup>The judge who authorised Bennett's bail was arrested. "Zimbabwe judge held over MDC bail", BBC News, 6 March 2009.

<sup>&</sup>lt;sup>34</sup>When the High Court ordered detained activists to be transferred to hospital for treatment after several weeks, the police refused. "Zimbabwe refuses transfer of activists to hospital", Agence France-Presse, 25 December 2008.

<sup>&</sup>lt;sup>35</sup>"Zimbabwe army restricts arms issuance", ZimOnline, 30 January 2009.

<sup>&</sup>lt;sup>36</sup>Crisis Group interview, intelligence services official, Harare, 16 March 2009.

keep Mugabe as national president, at least until close to the new elections, but his camp is campaigning for his election as ZANU-PF president in the event Mugabe steps down at the December 2009 Congress. Meanwhile, they will try to work through the politicised governmental structures and bureaucracy not only to make the unity government dysfunctional but also to compromise its ministers via corruption cases. Misheck Sibanda, chief secretary to the president and cabinet and a key ally, is well placed for this. One of his roles is to recommend the appointment of permanent secretaries, which gives him leverage to install pro-Mnangagwa officials.

Alternatively, Mnangagwa might seek appointment within the next two years to fill the national vice presidency position currently held by Joseph Msika, which would put him on an equal level with Joice Mujuru. His argument for replacing Msika would be that ZANU-PF's support in the Matebeleland provinces is virtually non-existent, so there is no longer reason to reserve a vice presidency for an ex-ZAPU cadre like Msika.<sup>37</sup> That move, however, could cost him support from the three Matebeleland provinces when he seeks ZANU-PF's nomination for president.

With Chiwenga's help, Mnangagwa is conducting a personal feud with Solomon Mujuru, Joice Mujuru's powerful husband, but if he becomes fully unacceptable to the Mujuru camp, it is difficult to see how he could hope to defeat Tsvangirai in a national election. Unlike Chiwenga, Mnangagwa is no Gono supporter. A ZANU-PF politburo member described his relationship with the Reserve Bank chief as one of "mutual distrust. Mnangagwa sees Gono as capable of masterminding succession politics in ZANU-PF to his disadvantage given his relationship with Mugabe and the generals".<sup>38</sup>

#### The Mujuru faction

The Mujuru faction has encountered setbacks in its quest to have Joice Mujuru declared Mugabe's natural successor. However, it views the new government as a means by which to neutralise Mnangagwa's presidential ambitions.<sup>39</sup> After securing her position as vice president, she advised Mugabe against trying to form a cabinet without Tsvangirai and his MDC-T. Solomon Mujuru, a businessman since retiring from the military, also hopes that having Tsvangirai in govern-

<sup>37</sup>Crisis Group interview, ZANU-PF politburo member linked to the Mnangagwa camp, Harare, 10 March 2009.

ment will help him gain the release of \$6 million of his funds that are frozen in European banks.<sup>40</sup>

Such is the hostility between the two factions that the Mujuru camp would likely throw its electoral support behind Tsvangirai if it loses the party leadership at ZANU-PF's December 2009 Congress. 41 "We are in the government, and we are looking at political opportunities presented by this arrangement. We have indicated to Tsvangirai that we are open to work with him beyond the transitional government. There is going to be a realignment of political relations once Mugabe steps out of the race. We are no exception, and we are alive to that eventuality".42

The Mujuru strategy revolves around postponing the December 2009 Congress and maintaining the party's current leadership for the time being. This would leave room for Joice Mujuru to ascend to the presidency if Mugabe retires or dies during the lifespan of the inclusive government. Were this to happen, the GPA provides that ZANU-PF would appoint one of the two vice presidents as his successor for the duration of the term, a contingency in which Joice Mujuru would have an advantage over the frail Msika. The Mujuru camp also banks on its solid support in the Mashonaland East province, which a ZANU-PF candidate must carry to win the presidency. It claims the loyalty of most second-tier security sector commanders who do not agree with Chiwenga's position.

ZANU-PF is unlikely to remain a united party after Mugabe's exit. Nothing short of a pact between the Mujuru and Mnangagwa camps — a development that looks highly improbable at this point — would prevent a split.

### B. MDC-M

The MDC formation led by Deputy Prime Minister Arthur Mutambara is the greatest beneficiary of the GPA.<sup>45</sup> Much the smaller of the two MDC factions, it

<sup>&</sup>lt;sup>38</sup>Crisis Group telephone interview, ZANU-PF politburo member, 24 March 2009.

<sup>&</sup>lt;sup>39</sup>Crisis Group interview, ZANU-PF politburo member linked to Mujuru faction, Harare, 12 March 2009.

<sup>&</sup>lt;sup>40</sup>Crisis Group interview, Western diplomat, Harare, 15 March 2009.

<sup>&</sup>lt;sup>41</sup>Crisis Group interview, ZANU-PF politburo member linked to Mujuru faction, Harare, 12 March 2009.

<sup>&</sup>lt;sup>42</sup>Crisis Group interview, ZANU-PF politburo member linked to Mujuru faction, Harare, 15 March 2009.

<sup>43</sup> Ibid.

<sup>&</sup>lt;sup>44</sup>Over the past ten years, the opposition has not won a seat in Mashonaland East province, which provides the bulk of Mugabe's and ZANU-PF's rural vote.

<sup>&</sup>lt;sup>45</sup>While the MDC-M has only ten members in the lower house of parliament and one senator, it was allocated a deputy prime minister post and three cabinet minister, one minister

owes its political relevance more to former South African President Thabo Mbeki's dislike of Tsvangirai than to its support base. Mbeki's plan since the mediation begun was to keep Mugabe in power, either with Tsvangirai as a junior partner in what would be presented as a government of national unity, or if that was not feasible, with the MDC-M in that role. While Tsvangirai rejected the concept, Mutambara went along with Mbeki and Mugabe during much of the mediation process to secure a foothold in power. "He had to play ball in order to continue sitting at the table, and this was strategic on his part. If he did not toe the Mbeki-Mugabe line, he would have been sidelined, since he did not have any political weight. The faction was a utility Mbeki needed to water down Tsvangirai's powers and demands".46

The formation of the inclusive government, however, opened divisions between MDC-M parliamentarians, with some resenting that Mutambara reserved the faction's ministerial portfolios for the chief negotiators who had obtained the deputy prime minister position for him. Indeed, Mutambara nominated mainly unelected party leaders and negotiators: Welshman Ncube became industry and commerce minister, while Priscilla Misihairambwi Mushonga received the regional integration and cooperation portfolio. An MDC-M parliamentarian complained: "The allocation of the ministerial position clearly shows what we have believed from day one: that our so-called leaders who don't represent anyone were negotiating for themselves". 47 David Coltart, the only MDC-M parliamentarian who is a full cabinet minister, was presumably rewarded with the education portfolio because he is the party's funding coordinator. Its vice president, Gibson Sibanda, a strong advocate of reunification with the MDC-T, became minister of state in the deputy prime minister's office only after the cabinet was expanded.

Mutambara is now angling for his political survival beyond the life of the new government. Sources close to him told Crisis Group: "Mutambara has tasted power, and he does not want to lose it. He knows the only political survival rests with striking a deal with the MDC-T, and he is already laying a foundation for the process of reunification". Mutambara has the backing of Sibanda and a majority of his parliamentarians for this approach, which they also see as their

only hope for political relevance after elections. He is prepared to disregard Ncube, whose relations with Tsvangirai have been tense since the split in October 2005. Ncube favours a full term for the inclusive government to allow time for cross-party realignment with the Mnangagwa-Chinamasa group and to mobilise and expand the MDC-M.

Mutambara may well end up playing a critical role in advancing the reform agenda during the life of the inclusive government, since to a certain extent he can manoeuvre in search of compromises between Tsvangirai and Mugabe, both of whom will be under pressure from their key constituencies to hold the line on key issues. If they work together in parliament, the two MDC factions would have a majority that could keep ZANU-PF legislators in check.

## C. MDC-T

The entry of the MDC formations into government is altering power dynamics and beginning to provoke political realignments. The inclusive government is beginning to be seen as a learning exercise for Tsvangirai, who is widely expected to take over from Mugabe as president of the country when new elections are held in two years. As prime minister, Tsvangirai sees his party's first experience at governing as beginning an irreversible transition process that will eventually lead to its assuming full state power. "We have taken a strategic move from fighting from outside to fighting from within. We have shifted the parameters of the democratic struggle", he says.<sup>49</sup>

A member of Tsvangirai's advisory team told Crisis Group: "Our strategy in this inclusive government is a three-way process: democratisation, economic stability and fresh elections". The party spokesperson, Information and Communications Minister Nelson Chamisa, said that such a change in the party's strategy was imperative, since it had been unable to come to power by winning elections over the past ten years. Now the MDC-T will focus for two years on a program of constitutional reforms, economic stability and service delivery. Strategy was increased to the past ten years.

Tsvangirai recently told Crisis Group: "We are aware that anything positive that comes from this govern-

of state and two deputy minister portfolios in the government. Discussions continue over a possible provincial governorship.

<sup>&</sup>lt;sup>46</sup>Crisis Group interview, South African member of SADC mediation team, Pretoria, 4 March 2009.

<sup>&</sup>lt;sup>47</sup>Crisis Group interview, Harare, 15 March 2008.

<sup>&</sup>lt;sup>48</sup>Crisis Group interview, MDC-M parliamentarian, Harare, 11 March 2009.

<sup>&</sup>lt;sup>49</sup>Crisis Group interview, Prime Minister Morgan Tsvangirai, Harare, 14 March 2009.

<sup>&</sup>lt;sup>50</sup>Crisis Group interview, Jameson Timba, deputy information and publicity minister, Harare, 13 March 2009.

<sup>&</sup>lt;sup>51</sup>Crisis Group interview, Nelson Chamisa, Harare, 13 March 2009.

ment will be credited to us, and equally the negatives, so we have no choice but to get this inclusive government to deliver. People want the dividend from the inclusive government, and they will demand it from us, not from ZANU-PF". 52 With an eye on the elections, the MDC-T is putting in place a strategy that would fast-track a constitutional reform process and restore basic health care and education facilities, all of which are key issues for voters. The party wants to repeal the laws that were the pillars of dictatorship and of the patronage networks within state institutions that ZANU-PF used repeatedly to win elections. MDC-T Secretary General and Finance Minister Biti told Crisis Group: "We are going to depoliticise state institutions and at the same time learn and understand how ZANU-PF used them as elements of repression and to steal elections. That is one of the advantages of working from within".53

Part of the political strategy includes working out a coalition with the Mutambara faction as well as progressive elements within ZANU-PF. "Everyone is looking beyond Mugabe, and as a governing party in waiting, we will have an open policy to work with everyone, including those from ZANU-PF who want to move with us in our democratic journey".<sup>54</sup>

For the moment at least, Tsvangirai's political credibility is rising, because schools are reopening, public health systems have begun to function again, and civil servants, teachers, the military and medical personnel are being paid. All this has stirred the hopes of crisis-weary citizens across the political divide, prompting a senior ZANU-PF politburo member to say, "[our] power is disappearing, and Tsvangirai is taking charge while we watch". The new political fluidity has led some senior intelligence personnel to indicate privately to Tsvangirai that they are prepared to serve in his government after Mugabe is gone. However, the MDC-T needs to guard against devoting so much energy and attention to making the new government functional

that it neglects its party structures, which will need to be mobilised countrywide if early elections are required because the GPA collapses.

#### IV. THE COLLAPSED ECONOMY

While formation of the inclusive government represents political progress, there is still a profound economic crisis that requires urgent measures. For several years, Zimbabwe had the highest annual inflation rate in the world, one that in 2008 had officially reached an inconceivable 231 million per cent.<sup>57</sup> Hyperinflation wiped out savings, while falling production and inability to pay for imports have caused serious shortages of electricity, water, fuel and basic commodities. The Zimbabwean dollar became virtually worthless, and on 12 April 2009, the government announced that it had in effect replaced its use for at least a year, until the economy picks up, with the U.S. dollar and the South African rand.<sup>58</sup> In January, it had already allowed foreign currencies to be legally used within the country, and it has itself been paying hard currency stipends to some civil servants.<sup>59</sup> Until then, only licenced businesses had been allowed to deal in foreign currency, even though it had become common practice, and civil servants had been demanding payment in it for several months.

These measures have had a profound effect. Inflation has been halted, and prices have declined slightly for several months.<sup>60</sup> The IMF has commended the steps taken by the new government through Finance Minister Biti, including sounder fiscal and budget policies and the adoption of the multi-currency system.<sup>61</sup> These developments have produced optimism across the political divide that the inclusive government is slowly setting the country on a long road towards economic recovery.

<sup>&</sup>lt;sup>52</sup>Crisis Group interview, Prime Minister Morgan Tsvangirai, Harare, 14 March 2009.

<sup>&</sup>lt;sup>53</sup> Crisis Group interview, Harare, 11 March 2009. That institutions remain highly politicised is illustrated by the fact that 29,000 youth militia members loyal to ZANU-PF are still listed as civil servants and so receive a monthly hard-currency allowance of \$100 from the government. "Over 29,000 youth militia still being paid by the state", SW Radio Africa, 6 April 2009.

<sup>&</sup>lt;sup>54</sup>Crisis Group interview, MDC spokesperson and Communications Minister Nelson Chamisa, Harare, 12 March 2009.

<sup>&</sup>lt;sup>55</sup>Crisis Group interview, ZANU-PF politburo member, Harare, 16 March 2009.

<sup>&</sup>lt;sup>56</sup>Crisis Group interview, senior intelligence official, Harare, 15 March 2009.

<sup>&</sup>lt;sup>57</sup>That was the Central Statistical Office's July 2008 figure, but independent experts estimate the annual rate may have gone much higher. "Inflation at 6.5 quindecillion novemdecillion [65 followed by 107 zeros] percent", IRIN, 21 January 2009.

<sup>&</sup>lt;sup>58</sup>"Zimbabwe shelved currency for 1 year", ZimOnline, 13 April 2009.

<sup>&</sup>lt;sup>59</sup> "Zimbabwe abandons its currency", BBC News, 29 January 2009. Gideon Gono said the economy was not officially dollarised because it would create too much dependency on the U.S. Crisis Group interview, Harare, 10 March 2009.

<sup>&</sup>lt;sup>60</sup>"Zimbabwe inflation falls, survival battle goes on", Associated Press, 9 April 2009. In February, prices were 3.1 per cent lower than in January. That trend continued in March, as prices fell a further 3 per cent.

<sup>&</sup>lt;sup>61</sup> "IMF hails fiscal reforms", *The Herald*, 28 March 2009.

Tsvangirai estimates \$8.5 billion is needed for economic recovery<sup>62</sup> and has requested an emergency \$2 billion package from SADC countries, of which half would be used to stimulate the economy and trade and half for public services, schools and hospitals.<sup>63</sup> Another \$1 billion is urgently required to keep the government going and meet emergency obligations, including payments for electricity, water, grain and fertilizer and debt service.<sup>64</sup>

The food situation remains dire, with some seven million people reportedly having required aid to survive in recent months and humanitarian agencies forced to halve cereal rations to extend stocks due to donor shortfalls.65 While formerly empty shelves have started to fill again since the currency reform, the number of shoppers with access to foreign currency remains limited, and many basic goods are still out of reach of the poor. 66 Most households have reportedly reduced the frequency of meals, while 12 per cent go entire days without eating.<sup>67</sup> The government estimates that two million tons of maize and some 500,000 tons of wheat per year are required to feed the population, and only about one-fifth of the requirements are on hand.<sup>68</sup> ZANU-PF is believed to still divert food and distribute it on a partisan rather than strict need basis.<sup>69</sup>

The April harvest is likely to be very poor, and humanitarian organisations warn that without more donor help, 2010 will be no better, because farmers will be unable to plant enough this year. <sup>70</sup> Continuing efforts by ZANU-PF supporters to displace the few hundred remaining

<sup>62</sup>The costs to revive the economy had initially been estimated at \$5 billion but have recently been increased to \$8.5 billion. For the initial estimates see "Short Term Emergency Recovery Programme (STERP) – Getting Zimbabwe Moving Again", Zimbabwe government, 19 March 2009. The document estimates requirements to revitalise each sector: agriculture: \$980 million; education: \$440 million; health: \$300 million; water and sanitation: \$740 million; industry: \$1.150 billion. STERP, pp. 118-119; see also "Zimbabwe appeals for aid to help million homeless", Reuters, 2 April 2009.

<sup>63</sup> "Southern African ministers meet on Zimbabwe recovery", Voice of America, 26 February 2009.

white farmers exacerbate the crisis, in defiance of a November 2008 ruling by a SADC tribunal barring further evictions.<sup>71</sup>

The health system has broken down, with doctors and nurses striking because of insufficient or unpaid salaries. Only around 30 per cent of the posts in the health sector were occupied in March.<sup>72</sup> Most hospitals have turned patients away because drugs are unavailable or unaffordable for ordinary people. Following the collapse of the water supply, 95,997 cases of cholera, 4,166 of them fatal, have been announced between August 2008 and mid-April 2009.<sup>73</sup> There is great risk that the epidemic will spread further in the region. Other preventable diseases such as malaria, AIDS and tuberculosis are also spreading across the country.<sup>74</sup>

Schools have been at a standstill for a year due to lack of funding. Many teachers have emigrated, and only 60,000 of the former 140,000 reportedly remain.<sup>75</sup> In his inauguration speech, Tsvangirai announced that civil servants, professors and doctors would be paid in foreign currency and urged them to go back to work. A few weeks later, schools started to reopen, and public health systems began to function again after civil servants, teachers, the military and medical personnel received a modest hard-currency retention allowance of \$100, a sum many considered inadequate. Teachers agreed to resume work on the promise of more to come<sup>76</sup> but have threatened to go back on strike if their salaries are not raised quickly.<sup>77</sup> The government has difficulty paying civil servants. It needs monthly revenues of \$100 million, including \$30 million to pay government workers, but currently receives only \$20

<sup>&</sup>lt;sup>64</sup>"Govt urgently needs U.S. \$1 billion", *Zimbabwe Independent*, 14 March 2009.

<sup>&</sup>lt;sup>65</sup> "Aid money almost too tight to mention", IRIN, 12 March 2009.

<sup>&</sup>lt;sup>66</sup> "Prices fall as shops stock up again", *Business Report*, 11 April 2009.

<sup>&</sup>lt;sup>67</sup>"Report of The Inter-Agency Humanitarian Mission To Zimbabwe 21-25 February 2009", United Nations.

<sup>&</sup>lt;sup>68</sup>STERP, op. cit., p. 27.

<sup>&</sup>lt;sup>69</sup>See, for example, "ZANU-PF hijacks aid packages to farmers", *The Sunday Independent*, 8 February 2009.

<sup>&</sup>lt;sup>70</sup>Crisis Group interview, humanitarian workers, Harare, 12 March 2009.

<sup>&</sup>lt;sup>71</sup> "Violence intensifies on Zim farms", ZimOnline, 15 April 2009. According to commercial farmers' organisations, at least 100 of about 300 remaining white-owned commercial farms have been raided since February. Mugabe reiterated his support for farm invasions on 8 April and said the land reform program was "not reversible". "Zimbabwe farm invasions have my blessing, they should continue but, sanctions must be removed – Mugabe", *The Times*, 9 April 2009.

<sup>&</sup>lt;sup>72</sup> STERP, op. cit., p. 24.

<sup>&</sup>lt;sup>73</sup> "Daily Cholera Update and Alerts – 13 April 2009", Ministry of Health and Child Welfare Rapid Disease Notification System, 14 April 2009.

<sup>&</sup>lt;sup>74</sup>STERP, op. cit., p. 25.

<sup>&</sup>lt;sup>75</sup> "Zimbabwe education in desperate circumstances", Voice of America, 4 March 2009.

<sup>&</sup>lt;sup>76</sup>"Zimbabwe teachers to end strike", BBC News, 24 February 2009.

<sup>&</sup>lt;sup>77</sup> "Zimbabwe's teachers threaten new strike if wage demands not met", Voice of America, 8 April 2009. The Progressive Teachers Union of Zimbabwe stated on 8 April that teachers must be paid at least \$780 if they are to to come back when the new term begins at the end of April.

million.<sup>78</sup> As a consequence, soldiers are also threatening to riot if their allowances are not raised.<sup>79</sup>

Unemployment is 94 per cent, leading to an exodus of approximately four million persons, including three million to South Africa, where large numbers now live in displaced camps. South Africa announced on 3 April that it will grant Zimbabweans a special status allowing them to live and work in the country for six months, after years of refusing this, but it is also closing some of the camps.<sup>80</sup>

# V. PROGRAMS AND POLICIES

The new government has outlined a set of immediate reforms through which it hopes to attract donor support. On 19 March, it unveiled the Short Term Emergency Recovery Program (STERP), aimed at addressing macroeconomic and governance issues to stabilise the economy and initiate recovery:

The GPA recognizes that the anchor to a new Zimbabwe needs to address not only economic issues but issues around the rule of law, a new people driven constitution and entrenched property rights.... Furthermore it is trite that without a well functioning economy, democracy and human rights are impossible, and equally without a well functioning democracy, economic development is not feasible.<sup>81</sup>

Among the key political priorities are the constitution-drafting process; media reforms; and legislation aimed at strengthening governance and accountability and promoting rule of law, equality and fairness, including gender equality.<sup>82</sup>

#### A. THE "HUMANITARIAN PLUS" STRATEGY

The government has placed humanitarian assistance, education and health at the centre of its economic and socio-economic policies. As noted above, it is targeting conditions of service for teachers in order to re-open all schools, as well as the payment and retention of health staff and food relief. Related priorities include the purchase of educational materials and equipment and drugs and medical equipment. A program intended to increase production of commercial farms and increase their security is also envisioned.

Economic stabilisation measures include, as already noted, permission for enterprises to trade without licence in any convertible currency and to pay taxes in foreign currency, as well as new budget discipline intended to restrict government spending to the sum of tax revenues and donor grants. The STERP seeks also to do away with the Reserve Bank tactic of printing money recklessly that helped prop up the regime but stoked inflation.

The months prior to formation of the government saw an increase in targeted sanctions against Mugabe regime figures. <sup>83</sup> Most Western leaders also stated they would consider changing policies toward Zimbabwe only after Mugabe stepped down. <sup>84</sup> This has created something of a dilemma for the U.S., the EU and others, whose diplomats are sceptical that the inclusive government will hold together but recognise that a "wait-and-see" attitude would ensure its failure. <sup>85</sup>

By any calculation, tough measures and considerable time will be required to turn the economy around. However, there is an immediate need to address popular expectations of a "peace dividend". While the government can adopt some crucial reforms, it lacks resources to address urgent needs corresponding to many of the STERP priority areas. These must become priorities also for donors who want to see the government succeed.

Harare-based Western diplomats say there is wide agreement on this, and their governments are moving slowly toward what they call "strategic re-engagement". <sup>86</sup> Support to the government should not be limited to pure humanitarian aid, however, but should include recon-

<sup>&</sup>lt;sup>78</sup> "Zimbabwe sees 'positive' response to aid call – Biti", Reuters, 8 April 2009.

<sup>&</sup>lt;sup>79</sup>They are asking for \$500 monthly instead of \$100. "Soldiers threaten to riot over salaries", Radio Vop, 14 April 2009.

<sup>&</sup>lt;sup>80</sup> "South Africa adopts new visa policy for Zimbabweans", Voice of America, 3 April 2009; "Rights group denounces closing Zimbabwe refugee center", Voice of America, 5 March 2009.

<sup>81</sup> STERP, op. cit., p.8.

<sup>&</sup>lt;sup>82</sup> Ibid. A parliament select committee, co-chaired by ZANU-PF and both MDC factions, was appointed on 12 April to spearhead the constitution-drafting process. "Zim names 25-member constitution making task team", ZimOnline, 13 April 2009.

<sup>&</sup>lt;sup>83</sup> "EU extends list of banned Mugabe allies and companies", Reuters, 23 January 2009.

<sup>&</sup>lt;sup>84</sup> "Zimbabwe now an international emergency: Brown", Zim-Online, 8 December 2008; "EU extends Zimbabwe travel ban, demands Mugabe quit", Reuters, 9 December 2008.

<sup>&</sup>lt;sup>85</sup> Crisis Group interviews, Western diplomats, Harare, 10-13 March 2009.

<sup>86</sup> Ibid.

struction and recovery measures that in Zimbabwe's desperate circumstances can be considered literally life-saving. This includes rebuilding education and health infrastructure and water, sanitation, food security and governance programs. Programs to rebuild civil society groups should also be envisaged, so as to reverse the divide-and-rule strategies of the Mugabe era that have polarised Zimbabwe and destroyed the nationwide character of religious, media, labour, academic, women's and youth groups.

While full re-engagement with the new government remains controversial in some Western capitals, Hararebased diplomats agree that a rapid infusion of so-called "humanitarian plus" assistance is crucial for the success of the new government. One told Crisis Group with reference to concerns that government failure could lead to destabilisation throughout southern Africa, "it is a calculated risk. The costs and the risks of doing something are definitely less important than the costs and risks of doing nothing". 87

Tsvangirai skillfully made this case in his first international opinion piece as prime minister, entitled: "Don't make us pay for working with Mugabe".88 A week later, Mutambara openly referred to the "humanitarian plus" concept, stressing that the government was working with Western countries to develop it. 89 Finance Minister Biti has also called for the international aid that many cabinet members strongly stress is necessary to stimulate national revival. We need to pay our people", one said to Crisis Group. "If we don't get money to do that, this government is dead". 91 Donors reasonably refuse to put out money for the military and police, both of which have been bulwarks of repression under Mugabe, but the finance ministry can probably manage that on its own if it gets sufficient help in other areas.92

Humanitarian workers also agree on the need to go beyond pure humanitarian efforts to wider recovery measures.<sup>93</sup> For example, some told Crisis Group that it is urgent to concentrate on food production, not only food distribution. UN officials concur on pursuing such longer-term sustainability projects. Following an assessment mission, the Assistant Secretary-General for Humanitarian Affairs, Catherine Bragg, stated: "Traditionally we don't include a lot of agricultural activities in a humanitarian appeal, but in this case we have to look at this as life-saving, in the sense that if we don't do it, next year we will continue to have seven million people requiring direct food aid".<sup>94</sup>

Donors remain legitimately concerned at potential aid diversion and want to bypass ZANU-PF's patronage system. <sup>95</sup> Most have suspended all direct aid to or through the government and channel their funds through NGOs or UN agencies. Complete transparency and reliable audit procedures will be required for resumption of direct funding to government, and some donors say that Reserve Bank structures must also be revised. Private banks and foreign credit lines could be explored as optional mechanisms for reconstructing crucial sectors such as food production.

There is need to open a dialogue between donors and the government to create mutual confidence and understanding of each other's requirements. A Western diplomat said, "this is the time to move forward on dialogue. The government must understand that we mean it both ways: we really want to re-engage, but we don't want to do it at any cost". <sup>96</sup> The government likewise must give donors accurate data, for example on the number of civil servants and health workers that it needs help to fund.

SADC countries have met to discuss helping Zimbabwe but have only promised to press outside donors, without committing their own resources. <sup>97</sup> South Africa Finance Minister Trevor Manuel urged donors to go beyond humanitarian aid and inject cash directly into the treasury instead of through foreign agencies. <sup>98</sup>

<sup>&</sup>lt;sup>87</sup> Crisis Group interview, Western diplomat, Harare, 10 March 2009. Some Western governments have already made statements indicating readiness to expand their assistance. Denmark, for example, reportedly told the government it is ready to pay civil servants for six months. "Govt woos West over salaries", *Zimbabwe Independent*, 8 April 2009.

<sup>&</sup>lt;sup>88</sup> *The Times*, 1 April 2009.

<sup>&</sup>lt;sup>89</sup> "Govt woos West over salaries", *Zimbabwe Independent*, 8 April 2009.

<sup>&</sup>lt;sup>90</sup>"Pay-up or Zimbabwe deal collapses, Biti tells donors", *The Guardian*, 14 March 2009.

<sup>&</sup>lt;sup>91</sup>Crisis Group interview, cabinet member, Harare, 12 March 2009.

<sup>&</sup>lt;sup>92</sup> Ibid; Crisis Group interviews, Western diplomats, Harare, 10 March 2009.

<sup>&</sup>lt;sup>93</sup>Crisis Group interview, humanitarian workers, Harare, 12 March 2009.

<sup>&</sup>lt;sup>94</sup> "Aid money almost too tight to mention", IRIN, 12 March 2009.

<sup>&</sup>lt;sup>95</sup>"Gono diverts funds to ZANU (PF)", ZimEye, 2 March 2009

<sup>&</sup>lt;sup>96</sup>Crisis Group interview, Western diplomat, Harare, 13 March 2009. The EU, for instance, should resume dialogue under Article 8 of the Cotonou Agreement which provides for political discussion with African, Caribbean and Pacific (ACP) states.

<sup>&</sup>lt;sup>97</sup> "African nations pledge to press for aid to Zimbabwe", *Los Angeles Times*, 28 February 2009.

<sup>&</sup>lt;sup>98</sup>"Manuel: West must drop its sanctions to save Zimbabwe", *Mail & Guardian*, 22 March 2009.

South Africa announced its own R800 million (\$88 million) package, split as a R500 million (\$55 million) credit line facility and the balance as budget support. <sup>99</sup> SADC countries should provide direct aid with strong conditionality tied to the provisions of the GPA that is, after all, their own product. Most Western countries are said to have made agreed to double their humanitarian aid, though Finance Minister Biti told Crisis Group he expects to begin to receive pledged funds only in some months, as channeling mechanisms were still being put in place. <sup>100</sup>

The high-level mission the International Monetary Fund (IMF) sent to Zimbabwe on 9-24 March, after a two-year absence, to assess government plans to address the economy returned encouraged, but the organisation is not permitted under its rules to give financial assistance to a country that has not cleared its arrears. <sup>101</sup> It is ready to offer policy advice, but technical and financial aid "will depend on establishing a track record of sound policy implementation, donor support and a resolution of overdue financial obligations to official creditors". <sup>102</sup>

#### **B. POLITICAL AND SECURITY CHALLENGES**

The urgent need for resources to address humanitarian and economic crises does not mean the government should be blindly embraced. An "eyes-wide-open" approach is essential. Governments should not yet remove targeted sanctions and should in fact consider reinforcing them if individual ZANU-PF hardliners and the security forces step up their campaign against the inclusive government. They should also insist on political progress, including release of detainees, <sup>103</sup>

<sup>99</sup> "Zimbabwe no money yet", *The Zimbabwe Independent*, 2 April 2009.

restoration of the rule of law, <sup>104</sup> revived media freedom and an end to farm seizures. <sup>105</sup> The reported refusal by Mugabe to swear in Roy Bennett as deputy agriculture minister and the renewed farm invasions have stoked tensions between the president and the prime minister. As noted above, the delays in resolving the future of Gono and Attorney General Tomana, as well as stalling over provincial governor appointments and assignments of permanent cabinet ministry secretaries and ambassadors have cast doubts on Mugabe's political will to fulfill the terms of the GPA and to make the government functional. <sup>106</sup>

But flexibility is advisable rather than setting rigid benchmarks that would have to be reached before the international community re-engages with full development assistance. Likewise, donors should look for signs that the government is moving forward in these areas without imposing a fixed timeline. Western diplomats appear to concur in this approach.<sup>107</sup>

## 1. Fostering reforms

The current parliament, the only institution with a mandate derived from even relatively free and fair elections, should play a key role in piloting a crossparty reform agenda aimed at strengthening and depoliticising state institutions. The three main political parties have agreed under the GPA on a constitutional reform process that should be concluded within eighteen months, and a tri-partisan parliamentary commis-

eral activists are still detained on banditry and terrorism charges. The state immediately appealed the bail ruling in what has become a strategy to retain prisoners. "Political detainees granted bail, but remain in custody", SW Radio Africa, 13 April 2009. Some of the detained activists have reportedly been tortured in an effort to obtain confessions regarding coup plots. "Mugabe aides said to use violence to get amnesty", *The New York Times*, 10 April 2009.

<sup>104</sup>The Zimbabwe Human Rights NGO Forum recorded 435 cases of human rights violations in February, the month the inclusive government was formed, and noted an increase of violations from the previous month. "Political violence report – February 2009", Zimbabwe Human Rights NGO Forum, 26 March 2009.

<sup>105</sup>On 14 April, the government announced it would prepare a land policy that clarifies ownership within three months, in order to address security problems on farms. "New Zimbabwe land policy to 'clarify' farm ownership", *Business Day*, 15 April 2009.

Tsvangirai and Mutambara was planned for 20 April to discuss the stand-off on the Gono and Tomana appointments. It is uncertain whether Mugabe is prepared to make any concessions.

<sup>107</sup>Crisis Group interview, Western diplomat, Harare, 12 March 2009.

<sup>&</sup>lt;sup>100</sup>Crisis Group telephone interview, 10 April 2009.

<sup>&</sup>lt;sup>101</sup>The IMF suspended Zimbabwe's voting rights in 2003, when it fell behind on debt repayments, and halted aid over policy differences with Harare including the land redistribution program. At the end of February 2009, arrears to the IMF amounted to \$89 million. "Zimbabwe must clear arrears to get IMF help", *Mail & Guardian*, 25 March 2009.

<sup>&</sup>lt;sup>102</sup> Ibid. The IMF also pointed to steps such as ensuring property rights and keeping wages competitive to attract investors.
<sup>103</sup> At least 28 political prisoners were in custody at the end of March. "House of Commons written answers for 26 March 2009", UK Parliament, 26 March 2009, at www. publications.parliament.uk/pa/cm200809/cmhansrd/cm090326/text/90326w0010. htm#09032637002762. The MDC claims that many of its members are still jailed, and it is trying to locate many who are missing. "Political prisoners still lockedup, says MDC", *Zimbabwe Independent*, 4 April 2009. Even though they were granted bail, two Tsvangirai aides and sev-

sion has been formed to prepare the draft. A raft of further reforms could be facilitated through parliament. Repressive legislation such as the Public Order Security Act (POSA) and the Access to Information and Protection of Privacy Act (AIPPA) should be repealed so as to restore freedom of expression, association and movement.

Parliament should also form a bipartisan select committee to investigate election violence and farm invasions and should recommend that a forensic audit be carried out to look for evidence of fraud and other crimes at the Reserve Bank and that the finance ministry maintain oversight of that institution. The IMF and the World Bank could second technical expertise to help restructure financial institutions. Another bipartisan parliamentary committee could streamline the functions of the attorney general's office and reform the judiciary, perhaps with technical help from the international community, through the Commonwealth secretariat and SADC.

A rational land reform program is needed to correct the effects of recent mismanagement, stimulate agricultural production, promote food security and contribute to rural development. The logical first step would be to set up a land commission with a clear mandate and strong technical base that is representative of a large cross-section of stakeholders. Its responsibilities would include conducting a comprehensive, transparent and non-partisan land inventory to establish accountability and eliminate multiple ownership. It would also be responsible for mediating claims and devising a compensation formula. 108 Security of tenure should be guaranteed to all land holders. The commission should also work to secure international support, including funding for the land reform program (both compensation for former owners and help for new farmers).

A parliamentary select committee should recommend establishment of a genuinely independent electoral commission, with administrative and financial autonomy to oversee preparation, conduct and outcome of the elections to be held in two years. All parties would benefit from a commission that strengthens credibility of the electoral process.

#### 2. Retiring the generals

Apart from governance reforms outlined in the STERP, prompt moves are needed with respect to security personnel to reinforce the government's stability. There

<sup>108</sup> See Crisis Group Africa Report N°85, *Blood and Soil: Land, Politics and Conflict Prevention in Zimbabwe and South Africa*, 17 September 2004.

is a real risk of a coup, initiated by military leaders whose influence is beginning to wane and whose patronage system is being eroded. The unwillingness of some army generals, who enjoy the tacit backing of ZANU-PF hawks, to publicly recognise the inclusive government's authority, and especially Tsvangirai's role, lends credence to the threat. 109 An assassination attempt on Tsvangirai also cannot be ruled out. 110 The riots staged by soldiers over cash shortages in December 2008, which led to some being executed, 111 showed that the lower ranks have the capacity to defy both their military and civilian leaders. This means that a coup by senior security hardliners would probably lead to fractures within the army and infighting within and between the ranks, possibly even on ethnic lines, and would likely plunge the country into chaos.

This insecurity within the military is the greatest risk to a smooth national transition. Generals who have virtually run the country for a decade and have strongly benefited from regime patronage networks desire the status quo to continue. They want their greatest concern – their security after Mugabe – addressed now. Motivations vary from individual to individual but include fears of prosecution and loss of power and financial benefits (often also enjoyed by family members), hatred for Tsvangirai and the MDC and a genuine belief that they are the guardians of a liberation heritage that needs to be preserved at all costs. The cumulative result of these factors, however, is a highly credible threat of military intervention that needs to be addressed urgently.

Rank and file troops and junior officers, suffering like ordinary Zimbabweans from the economic collapse, however, tend to favour the current changes. A sergeant told Crisis Group: "A majority of us are happy that we got paid in foreign currency (\$100) by Tsvangirai and Biti for the first time. It made a lot of difference in our lives. We want this government to continue, because at least they seem to care for our needs. We have been suffering quietly while our seniors were enjoying a lavish life. Tsvangirai has made a lot of

<sup>&</sup>lt;sup>109</sup>Elements of the current military leadership stated publicly before the March 2008 presidential elections that they would never salute a president without liberation war credentials, a well-known lack in Tsvangirai's biography. "Mugabe vetoes resignations by service chiefs: think-tank", *The Zimbabwean*, 28 February 2009.

<sup>&</sup>lt;sup>110</sup>Tsvangirai believes the crash that killed his wife on 6 March 2009 was an accident. "Tsvangirai says crash an accident", BBC News, 9 March 2009.

<sup>&</sup>lt;sup>111</sup> "Soldiers riot in Harare over cash", *The Zimbabwe Times*, 11 December 2008.

<sup>&</sup>lt;sup>112</sup>Crisis Group interview, senior military officer, Harare, 12 March 2009.

difference for us". They might well physically resist a coup, but the result could be complete chaos.

A policy to neutralise the hardline senior military leadership is needed. Its core should be encouragement of the security sector's present leaders to retire. The inducement could be targeted offers of immunity for past political crimes (excluding crimes against humanity, war crimes and genocide) and removal of the targeted sanctions to which many of them are subject. South Africa's new president, to be elected on 22 April, and the SADC facilitation team could lead this negotiation, in coordination with the Western countries and organisations, especially the U.S. and the EU, that have imposed the travel bans and asset freezes. The new law providing this immunity would have to be cosponsored in the parliament on a bipartisan basis. While this would be hard to swallow for those who have suffered at the hands of the regime, many in the MDC-T leadership and the Zimbabwean activist community who are among its victims view this as a preferable alternative to continued unrest and uncertainty.

That law should also create a panel of experts to recommend transitional justice mechanisms, including a truth commission and vetting to exclude human rights abusers from government. Offers of immunity should be conditional on full compliance with such processes. Moreover, as part of wider security sector reform, the newly established National Security Council should become a key mechanism for reasserting civilian control over the security forces and intelligence services, while at the same time depoliticising and professionalising them.

Some targets of these reforms may be willing to retire if assured they can live quietly and enjoy some portion of their accrued wealth. But it will not be sufficient to rely on voluntary cooperation. It will need to be emphasised that refusal to step aside before the end of the inclusive government's term will lead to development of cases for prosecution, including, where appropriate evidence exists, internationally pursuant to universal jurisdiction or an international criminal tribunal.<sup>114</sup>

# VI. CONCLUSION

The Global Political Agreement that gave birth to Zimbabwe's new government is flawed. It made the main opposition leader, Morgan Tsvangirai, prime minister but legitimised a presidential term that Robert Mugabe failed to win in the badly flawed 2008 election and thereby prevented a clean break with the corrupt, repressive and incompetent ZANU-PF regime. Nevertheless, formation of the resulting inclusive government gives the country an opportunity to begin to recover from a disastrous decade and justifies international reengagement through an infusion of resources under a "humanitarian plus" approach, both to lessen the suffering and to stimulate and protect a democratic transition. If the international community, regretting the inadequacies of the power-sharing arrangement, stands back with a "wait-and-see" attitude, the likely result will be that Mugabe and/or the military establishment will entrench themselves again, with a corresponding return to violence, repression and catastrophic economic policies. It is time to promote change.

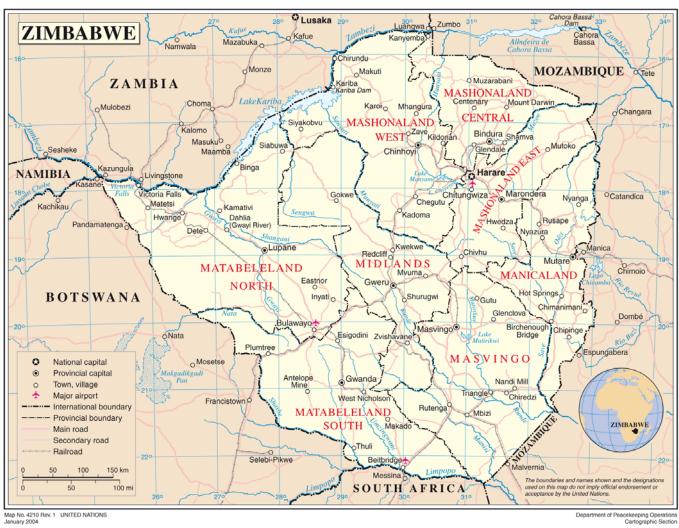
Harare/Pretoria/Nairobi/Brussels, 20 April 2009

Statute of the International Criminal Court, so that court would only have jurisdiction if the UN Security Council were to refer the situation in Zimbabwe to it. Any such referral would likely only be prospective in nature and not cover past crimes. Another option would be the establishment of an international criminal tribunal, or, as was done with the Special Court for Sierra Leone, a hybrid criminal tribunal.

<sup>&</sup>lt;sup>113</sup> Crisis Group telephone interview, army sergeant, 25 March 2009.

<sup>&</sup>lt;sup>114</sup>Many countries, particularly in Europe, recognise universal jurisdiction, pursuant to which their courts can prosecute alleged perpetrators of crimes against humanity, war crimes or genocide, whether or not the individual or crime has a connection with the jurisdiction in question: see "Universal Jurisdiction in Europe", Human Rights Watch, 27 June 2006, at www.hrw.org. Zimbabwe is not a state party to the Rome

# APPENDIX A - MAP OF ZIMBABWE





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