

THE ZIMBABWEAN CRISIS: WHERE TO FROM HERE?

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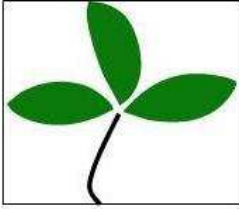
The present worsening situation in Zimbabwe is destabilizing the entire sub-continent and should be a matter of serious concern to the African Union and the NEPAD initiative. For far too long the Mugabe regime has been able to openly flout any sanctions of its actions. There is a need for action beyond the words in order to salvage what is left of this once beautiful country with such a rich heritage. There is little doubt that despite the resolve of the Opposition to mobilize the nation, the brutal actions of the government have successfully created a climate of fear and intimidation in which there is little or no space for civil society to raise its voice.

There is no doubt that Zimbabwe is on the brink of economic collapse. In order to have a clear understanding of the issues involved in this dilemma, the two critical questions that must be answered are: What are the causes of this crisis? What are the possible solutions of the crisis?

Political and economic analysts concur that the genesis of the country's economic problems was in 1997 when the government conceded to the pressure from war veterans to pay them a lump sum of 50 000 dollars and a monthly pension of 2000. This unbudgeted expenditure, that cost the treasury more than two billion dollars, caused a 30% increase on the country's national debt and a staggering 75% decline of the currency.

The government's next act of "financial delinquency" was in 1998 when it entered the Congolese war that cost the country US 1 300 000 million dollars a day. One can imagine the financial implications of this decision on the country's economy considering that the war dragged on for three years!

Then in 2000 there was what analysts often refer to as "a moment of madness" by the government when it sanctioned the so-called "fast track land redistribution programme" in which the war veterans invaded and occupied commercial farms. Due to the lack of necessary skills and financial resources to sustain agricultural activities, most of the farms now lie derelict and unproductive. The consequence of this situation



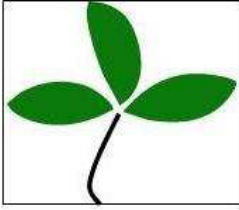
has been a sharp decline in agricultural production thereby turning the country from being the bread basket of Southern Africa to a net importer of food.

During the past five years, the government has increasingly become hostile to the opposition parties and civil society organizations that have dared to criticize its policies. To silence its critics, the state has resorted to such draconian tactics as imprisonment, torture and even killing the opposition and civil society leaders. This violence perpetrated by the government against the people has had an effect of scaring any individual or organization intending to confront it on its policies.

The consequence of all these government's activities has been a disaster on the country's economy. Inflation now stands at 4000% per annum, the highest in the world. Unemployment is about 82% of the employable population, notwithstanding that more than four million people have left the country for greener pastures in the neighbouring countries and as far as Britain, Canada, USA, Australia and New Zealand. About 84 % of the population subsists below the Poverty Datum Line. More than half of the population is malnourished, suffering from malnutrition and faced with starvation, misery and ill health, if not death. The country faces an acute shortage of foreign currency, declining Foreign Direct Investment, lines of credit and export earnings. Consequently, there are overwhelming scarcities of many essential commodities such as ARVs for HIV/AIDS sufferers, other medicines, fuel, electricity, water, food items, and industrial inputs.

Despite of all these socio-economic problems outlined above, the country has abundance of resources, if properly used, can very easily "resurrect" it from this imminent slide into an economic oblivion. First, it has fertile land that can be used productively to produce various crops to feed the nation and for export. The land also possesses vast resources of uranium, platinum, gold, diamonds, nickel, coal, methane gas and copper that can be exported to earn the much needed foreign currency. The country is endowed by several unique tourism destinations such as the Victoria Falls, Great Zimbabwe Monument, Matopos Hills, Lake Kariba and the spectacular Nyanga, Chimanimani and Vumba mountains. Despite its economic morass, the country still has the second most developed industrial infrastructure in southern Africa and is located to supply a free trade area with an estimated population of 326 million. Most important of all, it has a hard working, relatively highly skilled human resources to do the work necessary to fuel a vibrant economy.

In order to save the country from an economic demise, there a number of measures that have to be undertaken urgently. First, there is a need to create an enabling environment that requires a political



overhaul either by replacing the present political leadership with new blood or a dynamic change of the present government's policies and actions. Key reforms that are necessary to create this conducive atmosphere include respect for human rights, independence of the judiciary, honouring international obligations and the revaluation of the haphazard land reform programme.

Secondly, the country's neighbours must use their strategic positions to pressurize it into conformity to acceptable norms of good governance. The most influential play-maker in this regard is obviously South Africa because of the socio-economic ties of the two states. It was not therefore surprising that in March this year SADC states requested it to mediate in the impasse between the government and the opposition MDC. However, it still remains to be seen to what extent Mbeki's policy of "quiet diplomacy" will solve Zimbabwe's problems.

Thirdly the international community can play a decisive role in resolving the country's dilemma. If it imposes stringent economic sanctions that it implements to the letter, the political leadership will be forced to change its policies sooner than later to prevent a collapse of the economy and a possible mutiny by the people. International financial institutions such as the IMF and World Bank can stop extending lines of credit to the country until it adopts the rule of law.

If all the above and other related steps are put into practice, Zimbabwe will definitely dislodge itself from the "economic intensive care unit" in which it finds itself at present. There is no quick fix, but if these and other necessary actions are positively pursued, and especially so within the next few months, they will succeed and the country will once more achieve a dynamic and vibrant economy. All is not lost. There is a light at the end of the tunnel!