Zimbabwe's post-electoral challenges

SUMMARY

As international isolation is no longer economically bearable, Zimbabwe has been searching for legitimacy on the global stage. The post-Mugabe transition government, from a ruling party fraction, committed itself to free and fair elections and invited international observers for first time in 16 years. But much-awaited change in Zimbabwe needs much more than a newly elected president and legislature. The country suffers from institutional dysfunction driven by years of a de facto one-party, military-backed regime, characterised by rampant corruption and systematic patronage, securing the capture of key economic areas and political institutions by party elites.

The victory of the ruling Zimbabwe African National Union Patriotic Front (ZANU-PF), in both the legislative and presidential elections, and the deadly crackdown on the opposition that followed, seriously undermine the prospects for genuine Zimbabwean democracy. Although international observers assessed the electoral process as relatively free and competitive, it took place on an uneven playing field due to years of ZANU-PF domination. EU observers, in particular, expressed strong concern regarding the intimidation of voters, the pro-state bias of the media, and the Zimbabwe Electoral Commission's (ZEC) lack of transparency.

Some observers have indeed warned that the ousting of Robert Mugabe, which had raised so many hopes, was just part of a power reshuffle inside Zimbabwe's authoritarian regime, meant to protect the interests of the governing elites. Indeed, powerful forces obstruct change in Zimbabwe, seeking the sole preservation of their economic interests in the renewed political context. It is likely that the newly-elected President, Emmerson Mnangagwa, will pursue some economic reform, especially to attract foreign investors, while maintaining political control from above. In this situation, the EU, having declared its readiness to fully re-engage with Zimbabwe, has to use every lever to induce structural changes and to support civil society in this deeply corrupt and dysfunctional state.

In this Briefing

- Long-awaited ‘free and fair’ elections
- The usual winner of a competitive but uneven electoral process
- Challenges ahead
- EU-Zimbabwe relations: towards careful re-engagement
Long-awaited 'free and fair' elections

Following President Robert Mugabe’s forced resignation on 21 November 2017 after 37 years in power, Emmerson Mnangagwa, Mugabe’s former deputy, backed by the military, was sworn in as President on 24 November 2017.

Beyond renewed rhetoric of national reconciliation, much needed in a country marked by the scars of an almost four decade-long authoritarian regime, President Mnangagwa expressed commitment to ‘free and fair’ elections and a willingness to fight corruption, and also to re-engage with the international community in order to attract foreign investment and revive the economy. The first post-Mugabe general election took place on 30 July 2018 in the presence of international observers, including the EU Election Observation Mission led by Elmar Brok (EPP, Germany).

The usual winner of a competitive but uneven electoral process

The goal of the 2018 ‘harmonised election’ was to designate the country’s president, the 270 members of the House of Assembly and the 80 members of the Senate, as well as local representatives. Although 123 parties and 23 presidential candidates were registered on the electoral lists, the polls were de facto a duel between Emmerson Mnangagwa and the ruling Zimbabwe African National Union Patriotic Front (ZANU-PF) on the one hand, and Nelson Chamisa and the Movement for Democratic Change (MDC-T/Alliance), on the other.

One of the most controversial elements of Zimbabwe’s 2018 elections related to the fairness of the process and military interference. Civil society organisations deplored what they called the military capture of the state, compromising the electoral process. The army is suspected to have deployed troops to influence voters in the countryside and to have infiltrated the Zimbabwe Electoral Commission (ZEC), seriously undermining its autonomy. In those circumstances, EU observers, while recognising the improved political climate and political freedom during the campaign, raised concerns about the lack of a level playing field, which found expression, in particular, in the biased conduct of the state media, the abuse of state resources and the manipulation of food aid (vote-buying) as part of the ruling party’s campaign.1 The observers also called upon the ZEC to apply greater transparency when printing and storing ballot papers. Others had called for a boycott of the elections, perceiving them as a tool serving to legitimise the post-coup Mnangagwa administration while maintaining the old-regime ZANU-PF party in power, in a slightly renewed and, especially, more ‘militarised’ configuration.2 For some Zimbabwean civil society representatives, the 2018 election should have been postponed, to first allow the creation of a more level playing field for all participants, in particular by fully implementing the 2013 constitution, freeing the media and enhancing the independence of the ZEC.

Nevertheless, the vote took place on 30 July 2018: 70 % of the 5 635 706 registered people voted in 10 985 polling stations across the country. The polls gave the ruling party an absolute majority in the country’s legislature, thereby giving it the capacity to introduce constitutional changes.

The close Zimbabwe-China connection

Dating back decades (China was already supporting the ZANU party financially during Zimbabwe’s independence fight in the 1970s), Zimbabwe-China relations flourished under Mugabe’s Look East policy.

China has invested in several important energy, transport, telecommunications and mining projects. Recently, military cooperation has grown, and a deal has been concluded to fund a mass facial recognition programme replicating China’s surveillance infrastructure.

Just a few days after his inauguration and the announcement of the renewal of the US sanctions against Zimbabwe, President Mnangagwa took part in the 7th China-Africa Cooperation (FOCAC) summit in September 2018, where he reaffirmed Zimbabwe’s willingness to receive more Chinese investment and to be included in the network of African offshore clearing centres for the Chinese currency.

After a prolonged wait followed by lethal army interventions against the protesting opposition, Mnangagwa, having secured 50.2% of the vote, was declared winner of the presidential race, dashing hopes of a first-ever shift in power after four decades of ZANU-PF hegemony. The results, contested by the opposition, were confirmed by the Constitutional Court, opening the door for Mnangagwa to be sworn in as president on 28 August 2018.

Challenges ahead

Economic meltdown

The Zimbabwean economy, once the continent’s bread basket and second in strength after South Africa’s, has been sharply contracting since 1999 as a result of mismanagement by the Mugabe regime. The three-decade-long authoritarian government brought growing economic isolationism, incoherent economic policies, widespread corruption, a total breakdown of social services and grave human rights abuses. Zimbabwe abandoned its national currency in 2009, following severe hyperinflation, estimated at 79.6 billion per cent during its peak in November 2008. Today, nine foreign currencies are legal tender in Zimbabwe, with 90% of transactions being made in US dollars. The economic situation remains desperate. Among other things, it is characterised by:

- an exceedingly high (estimated at 90%) unemployment rate: caused by a shrinking manufacturing sector and the collapse of employment in agriculture;
- generalised poverty: 70% of the population lives in poverty and over a million persons are facing food and nutrition insecurity, according to Unicef; gender inequalities persist, with female-headed households experiencing higher poverty levels;
- unsustainable public spending: central government expenditure accounts for 27% of GDP, with the deficit at around 11% of GDP in 2017. Public servants’ salaries represent 90% of the budget. The allocation for the president’s office and the cabinet budget grew by 31%: from US$176 million in 2017 to US$231 million in 2018;
- debt distress: high public debt reached 86% of GDP in March 2018, including a 7.7 billion publicly guaranteed external debt. The country has huge arrears and is excluded from most international capital markets due to its unreliability. This severely restricts Zimbabwe’s access to capital and limits international investment;
- being Africa’s largest shadow economy: more than 60% of Zimbabwe’s economy is informal, which has a negative impact on state revenue;
- a liquidity crisis: the cash-to-deposit ratio dropped from 35% in 2003 to 5% in 2017. As a result, individuals and companies are facing stringent withdrawal limits, making it difficult to access savings as well as buy and sell everyday items;
- an HIV epidemic: Zimbabwe is among the countries most acutely affected by HIV in the world, with a 13.5% adult HIV prevalence (meaning that 1.3 million people are living with HIV) in 2016.
Country profile of Zimbabwe, 1990-2016

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<tr>
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<tbody>
<tr>
<td>Population, total (millions)</td>
<td>10.18</td>
<td>12.22</td>
<td>14.09</td>
<td>16.15</td>
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<tr>
<td>GNI per capita (current US$)</td>
<td>890</td>
<td>500</td>
<td>490</td>
<td>890</td>
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<tr>
<td>Net ODA received (current US$), millions</td>
<td>334.3</td>
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<td>Personal remittances received (current US$), millions</td>
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<td>1.856</td>
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<tr>
<td>Net migration (thousands)</td>
<td>-200</td>
<td>-350</td>
<td>-250</td>
<td>-100</td>
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<tr>
<td>Industry (% of GDP), value added</td>
<td>30</td>
<td>19</td>
<td>24</td>
<td>20</td>
</tr>
<tr>
<td>Agricultural, forestry and fishing, value added (% of GDP)</td>
<td>15</td>
<td>16</td>
<td>11</td>
<td>10</td>
</tr>
<tr>
<td>Primary completion rate, %</td>
<td>…</td>
<td>93</td>
<td>88</td>
<td>89</td>
</tr>
<tr>
<td>Prevalence of HIV (% of population aged 15-49)</td>
<td>14.9</td>
<td>22.1</td>
<td>15.8</td>
<td>13.5</td>
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Data source: World Bank.

Against this gloomy backdrop, Zimbabwe is rich both in human capital, with an adult literacy rate among the highest in Africa, and in natural resources (plutonium, gold, diamonds and nickel, among others). It has therefore the potential to address the challenges ahead if favourable political conditions are restored. In addition to the economic meltdown, the winner of the July 2018 elections has several longstanding problems to resolve before the country can start to tackle socio-economic development.

Issue arising from land reforms

Since gaining its independence in 1980, Zimbabwe has made several attempts to reorganise its agrarian structure, burdened by a post-colonial legacy of land inequality, where 5% of whites owned 80% of the land. Back in 1980, over 15 million hectares of land that was in the hands of 6,000 – almost all of them white – farmers, was devoted to large-scale commercial farming. By 1999, just 3.5 million hectares had been bought from white farmers with financial support from the British government under the terms of the Lancaster House Agreement, and had been redistributed among black Zimbabweans. Since 2000, fast-track land reform has introduced dispossession of white farmers without compensation; it encouraged violent acts of intimidation against them by armed militias headed by independence war veterans. By 2009, 12 million hectares had been taken away from white farmers, with only 200 white-owned farms left in the country. The fast-track land reform was heavily criticised due to the human rights abuses it caused, its poor efficiency as a tool of poverty alleviation and its disastrous impact on agricultural production and employment (some 300,000 black farm workers, employed at seized commercial farms, lost their jobs). Some argue as well that the redistribution, more than a tool for empowerment of poorer black people, was an instrument for land grabbing for ZANU-PF cadres. Others point out some positive impacts of the
land reform in terms of equality, stressing that the considerable entrepreneur dynamism and productive potential of new smaller farms will be unlocked after a readjustment period.4

The majority of commentators agree that the relative failure of Zimbabwe’s land reform is largely due to insufficient government support for building much needed infrastructure, such as roads, water facilities and schools, and to the difficulty for new farmers to access loans, owing in particular to unsecure tenure titles and the stigmatisation of any cross-colour business partnership. The post-2017 transition government had expressed its will to compensate white farmers for land taken during the fast-track reform, adopting a much more reconciliatory tone towards the white minority.

Observers point to the urgent need to correct errors made and to restore Zimbabwean agriculture as a key element of overall economic development and poverty alleviation. Rendering property rights stable and solid is a prerequisite for opening up financing opportunities and boosting agricultural productivity. It should be accompanied by public investment, especially for irrigation, improved input supply (of seeds, fertilisers, pesticides, machineries) and service support (including financing).

Fighting rampant corruption

Transparency international places Zimbabwe high (157th of 180) in its Corruption Perception Index 2017 and estimates the country’s losses inflicted by corruption at US$1 billion annually, making it one of the most important threats to its economic development.

Indeed, corruption in Zimbabwe is endemic and systemic: from the lowest local level, across all sectors, to the highest political echelons. It comes in various shapes: from nepotism, patronage and abuse of power, to common bribery and extortion, often involving the security sector (for example, frequent roadblocks). Scholars estimate that the rule of law was badly jeopardised, mostly after 2000, by the politicisation of the judiciary by ZANU-PF (even Zimbabwe Anti-Corruption Commission members have been accused of corruption and a partisan approach) and by partisan distribution of the country's resources. Long unrivalled, and focused on self-preservation and internal rivalry, the ruling party has developed a sophisticated and widespread patronage system. Mining concessions – such as Marange (see box below) – public-sector jobs and council-based redistribution of the land are in the hands of elites closely linked to the political and security systems. Scholars stress that ZANU-PF strategies of political control and accumulation operated through organised hierarchical networks have ‘deprofessionalised’ the state and have devastated its capacity to deliver basic public goods.5 Those strategies have been enforced with the help of security forces that have not hesitated to use violence, repression and manipulation.

Fighting corruption, high on the agenda of all political parties, will be a difficult task, taking into account how widespread it is and how deeply its different forms have transformed ways of doing things in Zimbabwe. As one commentator puts it, ‘Zimbabweans don’t like it, but many say it works’.

The first steps proposed by Zimbabwean civil society include introducing laws and mechanisms to combat illicit financial flows; obliging public officials to declare their assets; strengthening the capacity of the Zimbabwe Anti-Corruption Commission; and enhancing the transparency of the public tender system.

Security sector reform

The involvement of the security sector (namely the defence forces, intelligence services, police, prison and correctional services, and independence war veterans) in the political and economic affairs of Zimbabwe, although unconstitutional, has been institutionalised through complex patronage networks underpinned by ZANU-PF liberation struggle ideology. A 2017 study identified four major state institutions as having been captured by the military and systematically populated with security sector recruits: the state media, the electoral process, the judiciary and the legislature. This institutional infiltration has enabled the ZANU-military alliance to take possession of key sectors of the state economy, such as agriculture and mining, and to avail itself of government employment
opportunities. Given the symbiotic relationship between the army, the government and ZANU-PF, reforming the police and intelligence services, both infamous for the torture and disappearance of political opponents, will be a major test for the new government. One important step in this direction would be the setting up of an independent complaint mechanism to hold members of the security sector responsible for abuses of power, and the exclusion of the security sector from public institutions. Commentators also stress the need to repeal draconian legislation such as the Public Order and Security Act and the Access to Information and Protection of Privacy Act. Both are inconsistent with the freedoms of assembly and expression provided for by the 2013 constitution, and have been used to suppress free speech and opposition gatherings. The appointment to the post of vice-president of Constantino Chiwenga, ex-chief of the Zimbabwean army, which was behind Mugabe’s forced resignation, is a sign that no major changes are to be expected concerning the army’s tight grip on state institutions.

Privatisation of state companies

Zimbabwe's public sector includes central government institutions, local authorities and approximately 100 state enterprises. Public-sector salaries account for more than 90% of the 2016 budget. After the first wave of privatisation in 1990s, 96 state-owned enterprises or parastatals remained under government control. The 2016 audit showed that 37 state companies were generating losses worth US$270 million due to weak corporate governance and ineffective control mechanisms, making the transition government willing to sell some of them and reform the entire sector. The Zimbabwean government set up the State Enterprises Restructuring Agency (SERA) to oversee the privatisation, which is supposed to provide much needed cash flow into the state budget and improve productivity, economic competitiveness and service delivery. The challenge of the forthcoming privatisations will be to prevent the military-ZANU-PF elite from capturing assets through its patronage networks, in nebulous joint-ventures with foreign capital, as happened in the mining sector.

Attracting foreign investment

Foreign direct investment (FDI) prospects have already improved following the ousting of Mugabe, with US$1 billion in investment projects approved by the Zimbabwe Investment Authority in the first quarter of 2018, compared to just US$150 million for the same period in 2017. To restore an investment-friendly climate, the transition government has made several public declarations and has amended the Indigenisation and Empowerment Act that since 2008 has given black Zimbabweans the right to take over 51% of all companies valued at over US$500 000. The March 2018 amendment limits the obligation of compulsory local ownership of 51% of companies dealing with extraction of diamonds and platinum. However, commentators point out that much more has to be done to restore confidence, including some concrete legal steps to protect FDI, such as an investor-state dispute settlement mechanism backed by international treaties and political commitment to honouring them. Other obstacles that need to be addressed include the high cost of doing business due to high taxes and electricity prices, as well as corruption and foreign currency allocation, with political and macroeconomic stability being a general prerequisite for improving the business environment.
EU-Zimbabwe relations: towards careful re-engagement

Bilateral EU-Zimbabwe cooperation restarted in 2015 after a break of almost 12 years.

Since 2002, the EU has imposed sanctions on Zimbabwe, including an embargo on arms trading, restriction of entry and freezing of personal assets of high-ranking regime members, and suspension of development cooperation with the central government (but not of humanitarian aid and support for civil society through non-governmental channels). After successive reductions, the sanctions now in effect concern only the ex-presidential couple and an embargo on arms (excluding explosives for mining).

Between 2002 and 2014, the EU and its Member States continued providing direct development aid worth €1.5 billion (one-third from the EU and two-thirds from Member States) that was channelled directly through international agencies and civil society organisations. Zimbabwe also continued to benefit from its preferential access to the EU market provided under the Cotonou Agreement. Bilateral development cooperation, involving the Zimbabwean government in the preparation of the National Indicative Programme for Zimbabwe, resumed under the 11th European Development Fund (worth €234 million for 2014-2020), with priority being assigned to health, food security and governance. On 22 January 2018, the Council of the EU reaffirmed its availability to engage in political dialogue with the new authorities and to review its policies towards Zimbabwe when progress is achieved.

Given the current tense post-electoral situation, the international community, including the EU, has a key role to play. The EU has at its disposal powerful leverage, not only in the form of development assistance but also as a facilitator of Zimbabwe’s reintroduction into the global financial system, a goal pursued by the new president. According to the International Crisis Group, the EU should ‘calibrate its support’ to maintain pressure on the new government to act on its pledges to implement both political and economic changes. Extended support should be dependent on meeting concrete deadlines and benchmarks in four key areas of reform: security sector, electoral process, economy and national reconciliation. The EU should also support civil society organisations that monitor government reforms in areas such as governance, fiscal accountability and anti-corruption and help to reinforce checks and balances through institutions such as the Auditor-General, the Zimbabwe Anti-Corruption Commission and the Zimbabwe Human Rights Commission. Global Witness calls ‘all donors and states pondering economic support ... to insist on meaningful change also to the hidden forces that have shaped Zimbabwe's political landscape for decades’, stressing that reforming Zimbabwe’s security sector and opaque mining industry will be key for accomplishing genuine change. On the operational level, NGO confederation Concord’s 2017 survey on EU delegations’ engagement with civil society has revealed the need to make EU funding more easily available to smaller civil society organisations in rural areas. The respondents pointed to a relative centralisation of EU funding to big organisations in the capital Harare.

Instrument contributing to Stability and Peace (IcSP) in Zimbabwe

IcSP has provided €2 986 169 for four projects in Zimbabwe, including a pre-election study of the political environment (2018-2019, €385 710), Churches Convergence on Peace (2018-2019, €650 000), strengthening democratic dialogue (2017-2020, €946 459), and support for the regional approach to the implementation of the Kimberly Process (2016-2018, €1 million).
FURTHER READING


ENDNOTES

1 Preliminary Statement EUEOM Zimbabwe 2018 harmonised elections, Harare, 1 August 2018; Joint statement by international election observation missions to Zimbabwe's harmonised elections, Harare, 2 August 2018.


7 ibid, pp. 47-48.

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