

S A L 

International Liaison Dialogue and Research



# Southern African Liaison Office

## Zimbabwe Situation Analysis

### last quarter 2020/first quarter 2021



Image: "[Kids, Zimbabwe](#)" by [kentclark333](#) is licensed under [CC BY-NC-ND 2.0](#)

## Introduction

Zimbabwe is mired in an escalating socio-economic and political crisis, with the latter compounding the former. The Zimbabwean economy experienced an economic recession between 2019 and 2020, in part due to the adverse effects of COVID-19. It is no exception in this regard, as most African countries have experienced negative economic growth due to the devastating impact of the pandemic. However, since the beginning of March 2020, the government has used national lockdowns as a means to crush dissent, violate human rights, arrest activists under the guise of enforcing lockdown regulations, and loot funds and COVID-19 assistance. What is most concerning is how the government has managed to quietly amend the Constitution to consolidate its executive powers without citizen input.<sup>1</sup> There is a widespread view that unprecedented levels of corruption, much of it linked to the ruling party, and government's failure to implement key political and economic reforms, have exacerbated the effects of the coronavirus pandemic.

## The Political Situation

The political situation remains highly fraught, as the government has become increasingly intolerant and antagonistic towards opposition parties, journalists and civil society actors who openly criticise the President, cabinet, government policy or ZANU-PF. In particular, the government is concerned about the possibility of widespread popular protests and seeks to prevent a recurrence of previous unrest, such as the fuel protests of January 2019 and the July 31st movement of 2020. It has therefore adopted a harsh, repressive and pre-emptive approach premised on silencing actors who might be able to ignite popular dissent (especially as conditions worsen for the majority of Zimbabweans).

Such an approach has been most frequently witnessed in Harare but has also spread to key urban centres throughout the country. In early January 2021, it was reported that key opposition and civil society individuals had been arrested on accusations relating to the “[communication] of falsehoods” with regards to police brutality.<sup>2</sup> Those arrested included MDC Alliance MP, Joana Mamombe; the party's spokesperson, Fadzayi Mahere; its vice-chairperson, Job Sikhala; and world-renowned investigative journalist, Hopewell Chin'ono (for the third time

---

<sup>1</sup>African Arguments. 2020. *In Zimbabwe, No One Can Breathe*. Available at: <https://africanarguments.org/2020/07/in-zimbabwe-no-one-can-breathe/> [14 April, 2020]

<sup>2</sup>Zimbabwe Daily. 2021. *Chin'ono Mahere and Sikhala Denied Access to Lawyers*. Available at: <https://www.zimdaily.com/chinono-mahere-and-sikhala-denied-access-to-lawyers/> [18 March, 2021]

in six months). As one of Zimbabwe's most prominent critics of President Mngangagwa, Chin'ono has become the people's symbol of standing up to ZANU-PF's repression of dissent. He was originally arrested in July 2020 for inciting violence after he posted an exposé on social media (Twitter and Facebook) about the President's son, Collins Mnangagwa, and his alleged ties to UAE-based Drax International that was awarded a \$60 million contract to supply COVID-19 test kits and PPE.<sup>3</sup> Those accusations led to the cancellation of the contract and the subsequent arrest of the then Health Minister, Obadiah Moyo, on corruption charges. A protest against corruption and the deepening economic crisis was then scheduled by the opposition, trade unions and civil society organisations for the day of the former Health Minister's trial. Chin'ono was arrested for his role in the promotion of the protest, and has since been arrested for being in contempt of court as well as for 'falsehoods'. His supporters say this is the government's way of targeting him for exposing corruption.<sup>4</sup> This heavy-handed approach by the Zimbabwean government is likely to be a key trend throughout 2021.

This continuous treatment of perceived dissent played a part in the United Kingdom's imposition of new sanctions from February 2021<sup>5</sup> against four security chiefs: State Security Minister, Owen Ncube; Police Chief, Godwin Matanga; the CIO Director General, Isaac Moyo; and Head of the Presidential Guard, Anselem Sanyatwe. The sanctions were imposed for "*being behind the deaths of 23 people during post-election demonstrations in 2018, and during fuel price protests two years ago*". There have also been similar reports that the United States' new administration may extend the old sanctions regime.

The ruling party has been consistently adamant that there is "no crisis" in Zimbabwe. However, the MDC Alliance (in tandem with civil society and other stakeholders) has expressed ongoing criticisms and remonstrations relating to corruption and state-sanctioned violence and this severely undermines the official government narrative.

ZANU-PF has initiated a top-down unilateral political approach encapsulated in the government-endorsed POLAD framework, as well as the promotion of the Douglas Mwonzora-led MDC-T. Mwonzora, a former MDC-Alliance stalwart, was declared the winner of the MDC-T's 27<sup>th</sup> of December (2020) Elective Leadership Congress, having defeated the party's former head,

---

<sup>3</sup> African Arguments. 2020. *In Zimbabwe, No One Can Breathe*. Available at: <https://africanarguments.org/2020/07/in-zimbabwe-no-one-can-breathe/> [14 April, 2021]

<sup>4</sup> The Guardian. 2021. *Zimbabwe Journalist Hopewell Chin'ono Arrested for Third Time in Six Months*. Available at: <https://www.theguardian.com/world/2021/jan/08/zimbabwe-journalist-hopewell-chinono-arrested-for-third-time-in-six-months> [14 April, 2021]

<sup>5</sup> EWN. 2021. *Uk Govt Announces New Sanctions Against Zimbabwe's 4 Top Security Chiefs*. April. Available: <https://ewn.co.za/2021/02/01/uk-govt-announces-new-sanctions-against-zimbabwe-s-4-top-security-chiefs>

Thokozani Khupe, by a significant margin.<sup>6</sup> President Mnangagwa asserted in a Twitter statement:

*“[I]n unity, peace and harmony, we are well able to overcome any tough times or situations that may come our way. A few days ago, the opposition MDC-T party held its Elective Congress, in full compliance with, and fulfilment of court judgments. Let me take this opportunity to formally and personally congratulate @DMwonzora [Douglas Mwonzora] for prevailing at that Congress... **We took particular note of his declared wish to guide and reshape the politics of opposition towards constructive engagement with the Government of the day.** This is a very welcome move for our nation which is likely to put politics of rancour behind us. Thus, triggering collaboration, development and the harmony we solely needed for national progress...Both as the ruling ZANU-PF party, and as the Government, we assure Senator Mwonzora and the MDC-T leadership **of collaboration towards the growth and prosperity of our nation...We appeal to all those still stuck to yesterday’s politics of destructive and obstruction to learn from this salutary gesture by the MDC-T. To be in opposition need not mean being unduly negative, confrontational, divisive and disloyal to one’s nation and people**”.*<sup>7</sup>

A stalemate exists between the key opposition party, the MDC Alliance, and the ruling party, ZANU-PF. The MDC Alliance refuses to recognise Mnangagwa as President and calls for foreign mediation to ensure that this type of dialogue is inclusive and democratic. Unfortunately, a productive way around this stalemate has not been found, especially in a context in which there has been no formal framework for external or foreign mediation (although South Africa has begun to formally engage the Zimbabwean government).

## The Economic Situation

Zimbabwe’s political challenges continue to exacerbate a long-running socio-economic crisis. The country’s economic recession or negative growth was estimated to be -6% GDP growth in 2019, and -4.1% GDP growth in 2020.<sup>8</sup> The high level of debt and lack of both internal and external confidence in the national economy have adversely impacted Zimbabwe’s economic

---

<sup>6</sup> Chifamba, M. 2021. Zimbabwe: *Will a divided MDC opposition keep the country safe from a one-party state?* The Africa Report. 7 January. Available: <https://www.theafricareport.com/57513/zimbabwe-will-a-divided-mdc-opposition-keep-the-country-safe-from-a-one-party-state/>

<sup>7</sup> The Chronicle. 2021. *ED Congratulates Mwonzora on Victory*. Available at: <https://www.chronicle.co.zw/ed-congratulates-mwonzora-on-victory/> [18 March, 2021]

<sup>8</sup> Veritas. 2020. *National Development Strategy 1: January 2021-December 2025*. Available at: [https://www.veritaszim.net/sites/veritas\\_d/files/NDS.pdf](https://www.veritaszim.net/sites/veritas_d/files/NDS.pdf) [14 April, 2021]

recovery. This has been further compounded by the stalling of transformative reforms relating to the structure of State-Owned Enterprises (SOEs) and the “crowding out” of the private sector due to the prioritisation of rent-seeking, politically connected business actors. In a Zimbabwe economic outlook report for the *Zimbabwe Independent*, Victor Bhoroma posits:

*“...unresolved economic constraints abound such as high levels of public debt (over 80% of GDP), liquidity challenges in the market, hostile investment climate, characterised by difficulties in repatriating foreign dividends and heavy tax burden, bureaucracy and systemic corruption in government, command policies that suppress free-market pricing and crowd out private sector investment, weak institutions (flawed rule of law, guarantees to property rights, land tenure and governance culture), underperforming state entities and smuggling of precious minerals that cost the country billions in tax revenue”.*<sup>9</sup>

A 2014 Zimbabwe government-endorsed study, conducted in collaboration with the World Bank, highlighted the urgent need to reform Zimbabwe’s SOEs or parastatals. The report’s data analysis of information, collated between 2011-2014, resulted in a highly critical conclusion:

*“Although [SOEs] operate in critical sectors — in some cases, constituting monopolies — their performance, particularly that of the commercial SEPs, was unimpressive... The inability of the [SOEs] to generate profitable returns is a fiscal risk to the Government. In 2014, of those [SOEs] which submitted their data, explicit contingent liabilities amounted to US\$ 1.9 billion, representing 13 percent of Gross Domestic Product (GDP). The financial burden created by the [SOEs] on the Government is significant”.*<sup>10</sup>

The Second Republic has not managed to undertake significant and meaningful reforms regarding the transformation of its inefficient and resource-draining SOEs. This has subsequently complicated Zimbabwe’s ability to access multilateral credit and assistance, as the World Bank and IMF have consistently called for the Zimbabwean government to initiate far-reaching economic reforms relating to SOEs, public spending, and public sector governance. Improved economic governance is crucial to resuscitate both local and international confidence in the Zimbabwean economy.

---

<sup>9</sup> The Zimbabwe Independent. 2021. *Zim’s Economic Outlook for 2021*. Available at: <https://www.theindependent.co.zw/2021/01/08/zims-economic-outlook-for-2021/> [18 March, 2021]

<sup>10</sup> World Bank. 2014. *2011 - 2014 Baseline data for Zimbabwe’s Portfolio of State Enterprises & Parastatals*. Available at: <http://documents1.worldbank.org/curated/en/344631600438618578/text/2011-2014-Baseline-Data.txt> [18 March, 2021]

Despite the above, multi-lateral institutions, including the World Bank and the IMF, have forecast positive economic growth for Zimbabwe as the global economy recovers from the COVID-19 pandemic. Therefore, at least in the short term, the Zimbabwean economy is likely to be relatively stable although still fragile. Bhoroma states:

*“Zimbabwe’s economy ended the year 2020 on a fairly stable note due to the return of the multi-currency regime and decline in general inflation levels in the market. Headwinds caused by incessant power cuts, ill-timed currency changes, unrestrained money printing, fuel and foreign currency shortages have partially subsided. The present above-normal rainfalls are expected to alleviate national food shortages”.*<sup>11</sup>

Furthermore, continued demand for gold and other mining commodities is set to provide Zimbabwe much needed foreign exchange inflows. The importance of mining is noted - it is *“Zimbabwe’s key export earner, contributing 76% of the country’s export receipts. Mining exports grew from USD2,1 billion to USD2,4 billion in the first nine months of 2020, compared to the same period in 2019. Overall mining export receipts for 2019 were USD3,2 billion”.*<sup>12</sup>

## **The National Development Strategy**

The announcement and inception of the Zimbabwean government’s five-year National Development Strategy 1 (2021-2025) aims to make Zimbabwe an upper-middle economy by 2030. The NDS1 seeks to promote sustainable economic growth, create employment and new wealth, national development and poverty alleviation.<sup>13</sup> It replaces the Transitional Stability Programme of 2018 as an economic recovery plan that the government hopes will help the economy cut debt and attract foreign direct investment by targeting five main sectors for growth: agriculture, mining, electricity, manufacturing and tourism. As per the document, the strategic objectives of the NDS1 are to strengthen macroeconomic stability, characterised by low and stable inflation, as well as exchange rate stability; achieve and sustain inclusive and equitable Real GDP growth; promote new enterprise development, employment and job creation; strengthen social infrastructure and social safety nets; ensure sustainable

---

<sup>11</sup> The Zimbabwe Independent. 2021. *Zim’s Economic Outlook for 2021*. Available at: <https://www.theindependent.co.zw/2021/01/08/zims-economic-outlook-for-2021/> [18 March, 2021]

<sup>12</sup> Ibid.

<sup>13</sup> Veritas. 2020. *National Development Strategy 1: January 2021-December 2025*. Available at: [https://www.veritaszim.net/sites/veritas\\_d/files/NDS.pdf](https://www.veritaszim.net/sites/veritas_d/files/NDS.pdf) [14 April, 2021]

environmental protection and resilience; promote good governance and corporate social investment, and modernise the economy through the use of ICT and digital technology.<sup>14</sup>

It should not be a surprise that the NDS1 is being viewed as an overly ambitious blueprint that has little chance of success without political will. Zimbabwe has had a total of 20 economic blueprints since its independence, all of which have ultimately failed due to a lack of capacity and resources to implement plans, and a lack of consequences for failure to deliver. These blueprints have been criticised for being academic exercises and political tools for electioneering. For the NDS1 to succeed, there needs to be a departure from a political culture of control of people and resources.<sup>15</sup> The government itself has noted that:

*“The implementation of the NDS1 will require a mindset change and a new way of thinking and doing business”; and that “the successful implementation of the NDS1 requires public sector transformation that addresses and deals comprehensively with aspects of silo mentality and lack of collective accountability”.*<sup>16</sup>

Such a goal can be achieved through unified collective action amongst all key national stakeholders, with active support from regional and international actors. This highlights the need for an urgent and representative national dialogue.

## **Human Security**

Such a delicate economic recovery is unlikely to be sustainable, as highlighted by declining human security indicators due to the direct and indirect effects of COVID-19, particularly the severe government-mandated lockdown initiated at the beginning of 2021. In response to surging infections and rising COVID-19 deaths, the Zimbabwean government has continued to declare national lockdowns, accompanied by stringent curfews. The strict curfew has been viewed as being harsh, especially in a context in which most Zimbabweans are informally employed, as this would mean less time for them to engage in commercial activity. The latest wave of the virus has further raised concerns about the capacity of the government to

---

<sup>14</sup> Ibid.

<sup>15</sup> The Zimbabwe Independent. 2020. *Unpacking the National Development Strategy-I*. Available at: <https://www.theindependent.co.zw/2020/12/18/unpacking-the-national-development-strategy-1/> [14 April, 2021]

<sup>16</sup> Veritas. 2020. *National Development Strategy I: January 2021-December 2025*. Available at: [https://www.veritaszim.net/sites/veritas\\_d/files/NDS.pdf](https://www.veritaszim.net/sites/veritas_d/files/NDS.pdf) [14 April, 2021]

adequately and effectively deal with COVID-19 cases - this is in light of heightened demands by government healthcare sector workers for adequate PPE and a living wage.

The threat of natural disaster in the form of floods due to the predicted occurrence of Cyclone Chalane in 2021 is cause for concern, especially in such Eastern parts of Zimbabwe as Chimanimani and Chipinge.<sup>17</sup>

## South Africa's Interests

The importance of South Africa to Zimbabwe cannot be overstated. It is Zimbabwe's largest trade partner, a key source of Foreign Direct Investment, and an important source of Diaspora remittances (which are crucial in terms of sustaining commercial activity in Zimbabwe). Diaspora remittances have served as a priceless "safety net" for many Zimbabwean families, therefore the situation of Zimbabweans in South Africa is always of paramount concern for many Zimbabweans. Noting these aspects, several commentators have argued that it is time for South Africa to leverage its economic, political and people-to-people ties with Zimbabwe to initiate a meaningful dialogue process in the country. Bhoroma forecasts that:

*"[D]iaspora remittances in 2020 grew to over US\$950 million and **will remain key to supporting the local economy through sustained household demand for various goods and services. South Africa will remain Zimbabwe's key trade partner** accounting for over 55% of the over US\$4,5 billion in import or export value, while the United Arab Emirates (UAE) will emerge as a key importer of Zimbabwe's gold and tobacco. Consequently, the economy will register a real growth rate of between 2% and 3,5% in 2021".<sup>18</sup>*

The upswing in economic growth and increased productivity in the early months of 2021, as compared to 2020, is likely to be undermined by increasing political risk which might compromise stability. This is especially the case in a context in which electioneering will become more prominent as the main opposition and the ruling party begin to earnestly prepare for the 2023 elections. The issue of reforms and an election roadmap might become increasingly salient in such a fraught situation. The need for genuine and inclusive dialogue will be crucial, especially

---

<sup>17</sup> Cassim, J. 2020. *Zimbabwe issues flood alert ahead of Cyclone Chalane*. December. Available: <https://www.aa.com.tr/en/africa/zimbabwe-issues-flood-alert-ahead-of-cyclone-chalane/2093312>

<sup>18</sup> The Zimbabwe Independent. 2021. *Zim's Economic Outlook for 2021*. Available at: <https://www.theindependent.co.zw/2021/01/08/zims-economic-outlook-for-2021/> [18 March, 2021]

if it is facilitated by a respected mediator. In this regard, SADC needs to act proactively, taking advantage of the current positive economic indicators to avert a deepening crisis.

It would be in South Africa's interests to avert a collapse in Zimbabwe, as the rising challenges at the Beitbridge-Limpopo land border attest. At the beginning of 2021, the Beitbridge-Limpopo border experienced congestion and chaos as people were trying to enter South Africa following the announcement that Zimbabwe would be entering a new lockdown period. This issue was called a "humanitarian crisis" in the making by Home Affairs Minister Aaron Motsoaledi.<sup>19</sup> An angry exchange between ministers of both governments demonstrated the real state of strained relations between the neighbours.

Henning Melber and Roger Southall argued in early 2021 that the patience of both China and South Africa with the Zimbabwe government may be wearing thin; and that "it has become increasingly apparent that Mnangagwa's hopes of re-orienting Zimbabwe's foreign policy have been confounded by his government's own actions. Its brutally repressive response to the mounting economic and political crisis it is confronting at home has increased rather than diminished its chances of overcoming its isolation. It has long been guaranteed support from South Africa and SADC, but there are now signs of growing impatience with Harare in regional capitals."<sup>20</sup>

#### About the Southern African Liaison Office:



The Southern African Liaison Office (SALO) is a South African-based not-for-profit civil society organisation which, through advocacy, dialogue, policy consensus and in-depth research and analysis, influences the current thinking and debates on foreign policy especially regarding African crises and conflicts.

<sup>19</sup> News24. 2021. *Beitbridge Congestion: Holdup Due to Lack of Planning Around Covid-19 Testing, Says Committee*. Available at: <https://www.news24.com/news24/southafrica/news/beitbridge-congestion-due-to-a-lack-of-planning-around-covid-19-testing-committee-hears-20210112> [18 March, 2021]

<sup>20</sup> Melber, H. & Southall, R. 2021. Zimbabwe's Foreign Policy Under Mnangagwa. *Journal of Asian and African Studies*. 12 January. Available: <https://doi.org/10.1177/0021909620986579>

SALO would like to thank Norwegian People's Aid (NPA) for their direct support for this Publication



**Norwegian People's Aid**

*The contents of this publication are the sole responsibility of SALO, and can under no circumstances be regarded as reflecting the position of the donors who provided financial assistance.*