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The Change of Power in Zimbabwe: Internal and International Implications

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The 15 November 2017 coup that ended Robert Mugabe's rule in Zimbabwe raised hopes for a political and economic "new opening." The first personnel decisions by new leader Emmerson Mnangagwa—nominations of military men into key positions—forecast a continuation of the country's authoritarian course. Despite positive reactions in Africa, the new government will not be able to change the country's international position.

On 15 November 2017, the Zimbabwean army brought an end to the almost four-decade-long rule of 93-year-old President Robert Mugabe, the world's oldest acting head of state. The coup, led by Gen. Constantino Chiwenga, was motivated by Mugabe's dismissal of his vice president, Emmerson Mnangagwa, and other moves aimed at ensuring his wife, Grace, would succeed him.

After the coup, Mnangagwa became the president and head of the leading ZANU-Patriotic Front (ZANU-PF) party. That satisfied the expectations of the military and the majority of ZANU-PF members opposed to Grace Mugabe, who has been marred by numerous scandals. The change also conformed to Zimbabweans' desire to see an end to Mugabe's era. In the region, governments optimistically anticipate the country's stabilisation and repair of its economy. Mnangagwa is set to head a transitional government until mid-2018, when elections will be held.

The New President's Position. The 75-year-old Mnangagwa is a long-time associate of Mugabe. He held key positions in ZANU-PF and in the security services. He was responsible for the 2008 election-related crackdown on the opposition. His ascent to power consolidates a power scheme based on political and economic domination of the country by veterans of the 1970s war for independence.

The first nominations for key positions dashed hopes initially held by the international community for an inclusive government. Gen. Sibusiso Moyo, the coup plotters' spokesman, became minister of foreign affairs. Perence Shiri, commander of the air forces and jointly responsible for the regime's crimes against ethnic minorities in the 1980s, was made minister of agriculture and land affairs. Gen. Constantino Chiwenga, the coup's leader, became the party's new vice-chairman and vice-president.

The military's participation in the government is both a manifestation of Mnangagwa's gratefulness for its support in the confrontation with Mugabe and proof of his lack of independence or desire for political liberalisation. Some nominations, though, such as Lazarus Dokora to be minister of education, sparked protests strong enough to force them to be withdrawn. That demonstrated the weakness of the new leader's human resources. The omission of the opposition, particularly the Movement for Democratic Change, which co-ruled in 2009-2013, in the formation of the transitional government points to a plan to maintain control over the electoral process and maintain power beyond the next elections.

First Economic Decisions. From the early 2000s, when Mugabe began to forcibly take over profitable white-owned farms and increased repression, agricultural production collapsed, and the U.S. and EU in turn

began isolating Zimbabwe. Starting from the end of the 20th century into the early 21st century, the World Bank and the IMF halted loans and the country's economy shrank by 50%. Several million people emigrated, mostly to South Africa, because of the lack of employment opportunities in Zimbabwe. Mnangagwa's main goal, which gained him initial support in both the country and the region, is to create conditions to help the economy recover.

One of Mnangagwa's first decisions in this line was calling for a three-month amnesty to bring back to Zimbabwe funds kept illegally abroad (since 2009, \$2 billion have been put into foreign accounts). Until 1 February, individuals and companies are free to bring the money in without consequences. The move is not just symbolic, but addresses the country's severe lack of cash. After Zimbabwe dropped its own currency in 2009 because of hyperinflation, its citizens have been officially able to use U.S. dollars, euros, British pounds, Chinese yuan, as well as Indian, Japanese, Australian, South African and Botswanan currency, but there are still shortages of cash in the banking system and on the market.

The reform package, dubbed a "new economic order," aims to boost growth to 3.7% in 2018 and attract investment. Foreign companies have been promised change in the "indigenisation" law, specifically lifting the requirement of 51% ownership by black Zimbabweans in companies worth more than \$500,000 (it remains in place for the diamond and platinum mining sectors only). The changes would allow foreign giants to invest in the extraction of coal, gold, iron ore, copper, nickel, and other minerals. Energy producers will receive a five-year income-tax break.

As part of an austerity package, job reductions in the public sector, which consumes 80-90% of the budget, were announced. Simultaneously, the government launched steps to support local small, often indebted, entrepreneurs: it wrote-off taxes related to debts acquired before 1 December if the principal debt is fixed to 30 June 2018.

International Context. Despite the African Union's (AU) initial condemnation of the army's action to force the change of power, it later adopted the Zimbabwean military's narrative denying it was a coup. This position goes against the AU's own policies of zero tolerance of armed power grabs. Since 2000, when the Lomé Declaration entered into force, in 14 similar cases, the AU suspended the given country's membership in the continental body and/or placed sanctions on the perpetrators. This has contributed to limiting coups on the continent (the last time the AU was forced to intervene was in 2015; before 2000, there had been an average of three coup attempts a year). But now, this policy is in question.

Still, the change was popular in the region, particularly in South Africa, home to 1–5 million migrants from Zimbabwe, and in Botswana, which has the highest GDP per capita in the region. South African companies seek investment opportunities abroad because of internal political and economic crises. Botswana invests broadly in Zimbabwe's food and cosmetics sectors. Also, the South African Development Community (SADC), a regional economic bloc, seeks stability in the country. SADC led mediation efforts for a peaceful transition to scale down the risk of the crisis spilling-over into neighbouring states.

Since 2003, Zimbabwe has conducted a "Look East" foreign policy: replacing Western partners and developing relations with Asian states. China was its main beneficiary and it holds the biggest share of foreign investments in Zimbabwe (74% in cumulated value in 2015) and bilateral trade volume reached more than \$1 billion in 2016, compared to the EU's \$508 million. The Chinese see the new government as guarantor of its access to diamonds because Mnangagwa's military allies control their export. Chiwenga's visit to China shortly before the coup strengthened the coup plotters politically. As a result of the "Look East" policy, China has gained a dominant position in Zimbabwe. To balance it, the new authorities seek ways to unblock relations with the EU and the U.S.

The EU maintains its arms embargo on Zimbabwe and personal sanctions on selected individuals and the company Zimbabwe Defence Industries. The American sanctions include travel bans for key figures from the party, military, and state-owned companies, as well as an economic embargo. Mnangagwa's principal goal in foreign policy is to end the country's isolation, which could unleash investments from the EU and the U.S. The new government guarantees land rights to the remaining white farmers, which is well received in the UK, where many have familial ties. Still, the U.S. and the EU condition support for the political changes in Zimbabwe on free elections.

Conclusions. Implementation of the reform and scaling down Mugabe's social policy will inevitably lead to a decrease in support for Mnangagwa. This forecasts consolidation of the repression apparatus and possible street protests before elections. The steps taken to date to boost the economy are not sufficient, and no significant (thus costly) measures to rescue the banking system have been taken.

The AU's refusal to recognise the takeover as a coup will diminish its position in combating future unconstitutional changes of power. In this context, the EU and U.S. delaying normalisation with Zimbabwe is particularly important. Zimbabwe could raise its profile in the SADC, but on the global scene there will not be any quick reversal of its "Look East" policy. But, the country's greater openness for investment creates business opportunities for European and Polish companies. Their success will be hampered, however, by the absence of deeper political reform and a genuine fight against corruption.