

# The Zimbabwe Re-engagement Process

A Position Paper by Non-State Actors Alliance (NSAA)



Prepared By

Shastry Njeru (of Human Rights NGO-Forum)

October 2016



Supported by the  
European Union



[www.nsaazim.org](http://www.nsaazim.org)

Published by: **NON STATE ACTORS ALLIANCE (NSAA)**

Copyright: 2016, Non State Actors Alliance (**NSAA**)

This publication may be reproduced in whole or in part and in any form for educational or non-profit uses, without special permission from the copyright holder, provided full acknowledgement of the source is made. No use of this publication may be made for resale or other commercial purposes without the prior written permission of NSAA.

Year of Publication: 2016

Following the recapture of the state by ZANU PF after its “land slide” electoral victory in 2013 and the endorsement of the outcome by the SADC, COMESA and the AU, the “moral” reasons for the re-admittance of Zimbabwe into the international community have become forceful. However, the USA, Australia and other western countries have remained concerned about the credibility of those elections, the unchanged political environment and still want the restrictions or sanctions imposed on Zimbabwe in 2002 to remain. USA in particular, would not repeal the Congressional ZDERA if there were no evidence in Zimbabwe of correction of the political conditions that necessitated the passing of that Act and imposition of the restrictions in the first place. Despite all these challenges, still many countries want to bring a closure to more than 17 years of Zimbabwe’s wondering in political, economic and diplomatic cold wilderness. For instance, after the elections of 2013, European Union (EU) started to undo many targeted-restrictions on individuals and institutions except on President Mugabe, his wife Grace and the defense sphere, ostensibly as a response to the African pressure to lift the sanctions, but also in a search for the normalization of relations with Zimbabwe. Now, what remains raging on is the debate between the USA and its European counterparts on how the relations with Zimbabwe should be fully normalized.

In view of these developments, Non State Actors Alliance (NSAA) believes that there is need to accelerate western re-engagement process after the lifting of the EU restrictions and sanctions. This must not be depended on the departure of President Mugabe. The economic challenges facing the country are too gross to wait until a single man leaves office in Zimbabwe. The Government of National Unity (GNU) inherited and witnessed a litany of contracting economy, capital flight and reduction of private sector investment, reduced growth, reduction in capacity utilization in agriculture, mining, industry, tourism and construction (Kamidza, 2009), underemployment and unemployment at the rate of 94% (Ibid: 1) and after this, an acute liquidity crunch hit Zimbabwe in March 2016. The post GNU regime did not manage to change the fortunes of the country; it has become worse for the ordinary man and woman on the street. Most of the country’s public infrastructure facilities (roads, railways and bridges) and public utilities (electricity and water) have virtually collapsed, further destroying service delivery capacities amid worsening livelihoods. To this end NSAA contents that Zimbabwe faces a daunting but surmountable economic challenge that can only be addressed through cooperation with other local and international stakeholders.

To the chagrin of many Zimbabweans, even the hard core ZANU PF supporters, the post 2013 years have witnessed accelerated business closures instead of growth despite the introduction of an economic blue print-ZimASSET and its trappings. Zimbabwe continued to experience emigration, increasing cost of living, poor service delivery, declining tax base that is effectively reducing fiscal space, low levels of investment, diminished consumer base and the reduction in the manufacturing sector. Thus, to come out of this winter, Zimbabwe needs to engage and partner local stakeholders and upgrade its portfolio of international economic relations. It cannot remain a pugilist. This means resetting with the World Bank, IMF, African Development Bank, the Paris Club and other financial institutions. Further, Zimbabwe needs to adopt policies and positive rhetoric to build international business confidence, and reaching out to and support the entrepreneurial expertise at home and in the Diaspora.

The need to reach out to others is based on the need to overcome the sum total of the following economic challenges. IMF reports that Zimbabwe's economic difficulties have deepened and there is need for the international support to prise or winkle the country out. Zimbabwe is in debt distress with an external factor amounting to \$7.1 billion (Munyati, 2016) and still growing. This governance-based implosion has been accelerated by natural externalities such as "drought, erratic rains, and increasing temperatures", which "have reduced agricultural output and disrupted hydropower production and water supplies" (IMF, 2016). Economic activity is severely constrained by tight liquidity conditions resulting from limited external inflows and lower commodity prices. Inflation remains in negative territory, because of the appreciating U.S. dollar and lower commodity prices. While Zimbabwe remains in debt distress, its level of international reserves continues to be low (IMF, 2016). Encouragingly, and despite the adverse environment, the Zimbabwean authorities have reduced the fiscal deficit in both 2014 and 2015. The authorities have met their commitments under the Staff Monitored Program (SMP) that ended at end-December 2015, despite economic and financial difficulties (ibid). The IMF directors have commended the Zimbabwean authorities for this successful implementation of the economic policies under the staff-monitored program despite difficult domestic and external circumstances, creating the reason to be trusted. However, Zimbabwe is reminded that further going it alone will not be sustainable; it needs others, not the "splendid isolation" which was never splendid after all.

It is critical to note that the above achievements are important foundations for re-engagement. To quicken the address of the debt arrears with the IMF and the World Bank, it is more critical to put the wheels of re-engagement with the US government (Munyati, 2016) as well, although this may take time in the light of ZDERA. Besides, Zimbabwe still has something to sell. It can present its viability potential in its numerous institutions, businesses and organisations, which are functional, and doing business through “smart strategies, competent management, good leadership and partnership” (Chitiyo and Kibble, 2014). So in Zimbabwe, all is not yet clinically dead! The government can present these as carrots for re-engagement. But the government is still required to make a template for best practices in national consultative and multiple stakeholder approach to quick start the economy.

Re-engagement here refers to the process whereby Zimbabwe restores all its spheres of its economic and political relations with the western world after EU, USA and other countries had imposed “sanctions” and other restrictions. These restrictions followed the violence and acrimony attendant to the presidential elections in 2002 after the Commonwealth report which had pointed to a violent electoral conduct amidst and equally fast track land reform process. These countries had responded by isolating and subjecting Zimbabwe to economic tribulations (Mandaza, 2016),

To engage the global investors and political powers, the government should be advised not to bring ideological baggage to the table, but to approach the process with an understanding that the global economy is crowded with competitor nations. In fact, Zimbabwe needs to understand the non-permanency of its isolation and take the advantage of the flexibility of the EU on this issue. Zimbabwe should also grab the opportunity presented by the US Congress delegation this year (2016) composed of Representative Schiff, Senator Flake, Senator Cochran, Senator Cardin and Senator Coons who met with President Mugabe. The two countries need to build on this meeting to begin a dialogue about normalizing US-Zimbabwe relations so that Zimbabwe will gain the US support for its arrears clearance strategy. In addition, the EU has made the work for Zimbabwe a lot easier when it suspended the appropriate measures under Article 96 of the Cotonou Agreement and now is able to provide direct financial assistance to the Zimbabwe Government (Munyati, 2016).

NSAA agrees that the 2013 elections polarized the local and international opinion on Zimbabwe. However, it notes that the country has moved into a post electoral dynamic

(Chitiyo and Kibble 2014) and ZANU PF is the dominant force in Zimbabwean politics. However, NSAA's position is that the most important issue NOW at home, abroad and for the international community is the economy (ibid) which needs re-stabilization. Re-stabilizing that economy is possible when the national and international stakeholders start building a common purpose approach grounded on both political and economic pragmatism. NSAA asserts that everything for Zimbabwe's re-engagement with the Western World is in place, what is the wait? Only the government must demonstrate in a policy format on how it can address short term problems, clear uncertainties on indigenization or whether the Zimbabwean dollar can comeback. On the political front Zimbabwe must take the initiative of normalizing relations with the international community, including re-engagement in the diplomatic and business forum that includes seeking rejoining the Commonwealth. In the same breath, the international community need not wait for a regime change in Zimbabwe to re-engage. Re-engagement NOW is fundamental for both economic recovery in Zimbabwe and political stability in the region. It is for the good of all parties, local regional and international. However, the re-engagement process should be cognizance of the current human rights abuses, violation of the national constitution; a strong emphasis should be tabled by all engaging stakeholders as a condition for a full engagement.

Re-engagement should not be left to the politicians alone. The civil society and the rest of progressive communities must seize a role to play in this engagement to ensure compliance with the terms of engagement and that the dictates of the international community in policy-making frameworks remain reasonable. This adds to the work of the civil society an important monitoring role in the political, fiscal and monetary spaces. To this end, it is imperative for civic groups to form extensive strategic networking with partners and other like-minded institutions working on issues of both political and economic engagement. Civil society groups and networks in Zimbabwe and beyond will need to show commitment to monitor pluralist democratic processes in the country as well as the moral fibre of donors funding.

## References

1. Chitiyo K and Kibble S (2014). Zimbabwe's International Re-engagement: The Long Haul to Recovery. Chatham House Report, The Royal Institute of International Affairs
2. Munyati C (2016). Why US Re-engagement is Critical to Zimbabwe's Debt Arrears Clearance, [www.foreignpolicyjournals.com](http://www.foreignpolicyjournals.com)
3. Mandaza I (2016). The role of re-engagement, [www.theindependent.co.zw](http://www.theindependent.co.zw)
4. Kamidza R (2009). Government and civil society in Zimbabwe's economic recovery, [http://archive.kubatana.net/docs/opin/kamidza\\_govt\\_civ\\_soc\\_econ\\_recovery\\_090326.pdf](http://archive.kubatana.net/docs/opin/kamidza_govt_civ_soc_econ_recovery_090326.pdf)
5. IMF (2016). Zimbabwe: Staff Report for the 2016 Article IV Consultations and the Third Review of Staff Monitored Program, IMF Country Report No. 16/109

Ends//

## **Non- State Actors Alliance (NSAA) Partners:**

**National Association of Non- Governmental Organisations (NANGO)**

**National Association of Youth Organisations (NAYO) Africa**

**National Association of Societies for the Handicapped (NASCOH)**

**Evangelical Fellowship of Zimbabwe (EFZ)**

**Women's Coalition of Zimbabwe (WCOZ)**

**Zimbabwe National Chamber of Commerce (ZNCC)**

**Zimbabwe National Council and Welfare of Children (ZNCWC)**

**Zimbabwe Congress of Trade Unions (ZCTU)**

**Contact Details: Number 15 Bodle Road, Eastlea, Harare**

**[mail@nsaazim.org](mailto:mail@nsaazim.org)**

**TW/FB @NSAAZimbabwe**

**[www.nsaazim.org](http://www.nsaazim.org)**

**+263 4-703599**