

## AFRICA RISK CONSULTING

### Country briefing – Zimbabwe

20 June 2013

## Summary

*President Robert Mugabe announces that elections will take place on 31 July, but then agrees to Southern African Development Community's (SADC) request to petition Constitutional Court to delay polls by two weeks. Electoral staff turn away dual nationals attempting to register to vote, while Constitutional Court indefinitely postpones case challenging ban on diaspora from voting. International Monetary Fund announces staff-monitored programme to monitor economic and fiscal adjustment and reform programmes, but direct financing remains a distant prospect.*

## President Robert Mugabe announces election date, then a U-turn

President **Robert Mugabe** has petitioned the Constitutional Court to delay Zimbabwe's elections till August, despite previously decreeing a date of 31 July and knowing that a two-week delay will not allow for political and security reforms sought by prime minister **Morgan Tsvangirai**<sup>1</sup>. It was on 13 June that Mugabe decreed that polls should be held on 31 July. This was to the consternation of his **Global Political Agreement (GPA)** partner Tsvangirai who claimed such a unilateral action was unconstitutional and that a July date would not allow sufficient time to implement the necessary security sector and media reform to ensure a free and fair election. Tsvangirai and his **Movement for Democratic Change (MDC)** would have preferred an election in September or October. The Constitutional Court, however, had ruled earlier in June that elections needed to be held before 31 July. Heads of state at the **Southern African Development Community (SADC)** meeting in **Maputo, Mozambique** requested that Mugabe turn to the Constitutional Court to postpone the polls<sup>2</sup>.

Whether the Court is willing to revise the timeframe prescribed by the constitution and accept the 14 August date will have to be seen, as it may not wish to be perceived as being subservient to either a regional or national body only one month after its appointment in its current format under the new constitution. The SADC has said it will accept whatever decision the Court reaches. Fourteen days is insufficient for the substantial media reform that Tsvangirai claims is prerequisite to free and fair elections.

The Movement for Democratic Change (MDC) has called for the members of the GPA to review the **Public Order and Security Act** and to renegotiate the **Access to Information and Protection of Privacy Act** before the elections. The extra two weeks will, however, make no difference as constitutionally parliament must still be dissolved at the end of June<sup>3</sup>. The SADC endorsed a report by **South African** president **Jacob Zuma** that there

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<sup>1</sup> AP, 20 June 2013

<sup>2</sup> AP, 15 June 2013

<sup>3</sup> Source, senior Zimbabwean NGO official

needs to be consensus on an election date. If the Court assents to the new date, it will mean the election will be held close to the **United Nations World Tourism Organisation (UNWTO)** conference jointly hosted by Zimbabwe and **Zambia**, from 24 - 29 August. The immediate aftermath of the election is when there is the greatest chance of violent disorder, as the security forces are likely to disrupt ballot counting should early results suggest an MDC win<sup>4</sup>. The economic and diplomatic consequences to Zimbabwe of having the UNWTO summit either interrupted or cancelled may encourage Mugabe's **Zimbabwean African National Union-Patriotic Front (Zanu- PF)** to rein in their supporters within the security forces<sup>5</sup>. In June, **Human Rights Watch (HRW)** reported that the military has deployed hundreds of soldiers across the country since February, ostensibly to undertake community projects, but more likely to intimidate communities to vote Zanu-PF<sup>6</sup>.

## Uncertainty over what it means to be Zimbabwean

It is also unclear who will and who will not be allowed to register to vote. According to the constitution, dual-nationality citizens should be allowed to register to vote. Electoral staff are, however, in some cases turning away dual nationals attempting to register<sup>7</sup>. Local officials offer varying reasons for this rejection and there is no evidence of it being a systematic government policy<sup>8</sup>. This uncertainty is part of a wider narrative. Regional patterns of labour migration mean that Zimbabwe has a disproportionately large number of dual citizens<sup>9</sup>. **Zimbabwe Lawyers for Human Rights** have criticised the new constitution for its lack of clarity over whether members of the Zimbabwean diaspora would have to sacrifice their foreign citizenship if they were to return<sup>10</sup>. The new constitution does not specifically allow or deny dual citizenship, but recognises Zimbabwean citizenship as being by birth, descent or registration. This is subject to interpretation in a number of ways. The registrar general told Zimbabwean born businessman **Mutumwa Mawera** that he would need to renounce his South African citizenship before applying for a Zimbabwean ID card. Mawera has petitioned the Constitutional Court to clarify legal provisions around dual citizenship. What is clear is that members of the diaspora who are abroad during the election will not be able to vote, as the Constitutional Court on 13 June indefinitely postponed a case challenging the barring of postal ballots for Zimbabweans outside the country's borders<sup>11</sup>. In February, the **African Commission on Human and People's Rights** instructed the government to allow the Zimbabwean diaspora to vote during the March referendum, but the ruling was disregarded.

## International Monetary Fund is to work with Zimbabwe again

The **International Monetary Fund (IMF)** is to begin working with the Zimbabwean government for the first time since 2003<sup>12</sup>. The IMF is not going to provide the government with any new funds as

<sup>4</sup> Source, senior Zimbabwean NGO official

<sup>5</sup> Source, businessman, Harare

<sup>6</sup> HRW, "Zimbabwe revisits its 'ugly past' of violence and intimidation", June 2013

<sup>7</sup> Source, journalist, Zimbabwe

<sup>8</sup> Source, journalist, Zimbabwe

<sup>9</sup> Source, Zimbabwean NGO official

<sup>10</sup> SW Radio Africa, 13 June 2013

<sup>11</sup> SW Radio Africa, 13 June 2013

<sup>12</sup> AP, 13 June 2013

Zimbabwe owes it approximately \$125.3m in arrears<sup>13</sup>. It was these arrears that led the IMF to strip Zimbabwe of its voting rights in 2003. Instead, the IMF will initiate a staff-monitored programme (SMP) to monitor Zimbabwe's economic and fiscal adjustment and reform programmes. The SMP will observe government attempts to improve public financial management and financial sector regulation. The IMF will focus particularly on efforts to protect infrastructure investment, restructure the central bank and improve transparency in the diamond sector. The programme started in April and runs to December. The IMF will determine whether or not to follow with a similar programme depending on initial progress.

The agreement is a key step towards normalising relations, and follows an IMF decision taken in October 2012 to relax restrictions on offering consulting advice to Zimbabwe. Zimbabwe has made considerable progress in stabilising the economy since hyperinflation in 2009. IMF figures show that GDP has grown on average by 8.4% per year between 2009 and 2012<sup>14</sup>. This is expected to slow to 5.4% between 2013 and 2015, and to 5.5% between 2015 and 2018. Inflation declined to an average of 4.1% between 2009 and 2012. This is expected to remain stable at 4.2% between 2013 and 2015, and at 4.0% between 2015 and 2018<sup>15</sup>. Government revenue has more than doubled from 16% of GDP in 2009 to 36% in 2012<sup>16</sup>. The economy, however, remains vulnerable due to large current account deficits and international reserves that would cover only one week's worth of imports.

## Implications

Businesses should prepare for elections in July. This date will allow the Constitutional Court to show it will not bow to political pressure, while Mugabe will get the date in July he originally wanted. Even if elections are delayed, the dissolution of parliament in June will mean that the MDC will not have the time to pass security sector and media reforms, meaning that the elections are unlikely to be either free or fair. Uncertainty over whether they can vote will deter diaspora members from returning to Zimbabwe. This will be a blow as many of those who fled to **South Africa** were young entrepreneurs who now have well established businesses that would otherwise be well placed to contribute to Zimbabwe's future growth<sup>17</sup>. The IMF staff-monitored programme is a milestone in normalising relationships with international funding institutions. Large arrears, however, mean that direct financing remains a distant prospect. Despite stable growth in the medium term, Zimbabwe's debt burden will remain a growth-restricting factor.

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<sup>13</sup> AP, 13 June 2013

<sup>14</sup> World Economic Outlook

<sup>15</sup> World Economic Outlook

<sup>16</sup> World Economic Outlook

<sup>17</sup> Source, Businessman, Harare