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Zimbabwe: The Transitional Government and Implications for U.S. Policy

Updated October 27, 2011

Congressional Research Service
https://crsreports.congress.gov
RL34509

CRS REPORT
Prepared for Members and
Committees of Congress

Summary

The U.S. government, which has expressed concerns regarding the rule of law in Zimbabwe for over a decade and which has long been critical of President Robert Mugabe, has been cautious in its engagement with the country's three-year-old power-sharing government. That government, which includes members of the former opposition, has improved economic and humanitarian conditions during its ongoing transitional rule. However, significant concerns about the country's political future remain. Zimbabwe's March 2008 elections resulted in the party of long-serving President Mugabe losing its parliamentary majority for the first time since independence. Opposition leader Morgan Tsvangirai received more votes than Mugabe in the presidential race, but fell short of the needed margin for victory. Tsvangirai later withdrew his name from the ballot days before the required runoff, amid widespread political violence. Mugabe was thus declared the winner. In September 2008, after weeks of negotiations, Tsvangirai and Mugabe reached an agreement to form a unity government, with Mugabe remaining head of state. Tsvangirai became prime minister and cabinet and gubernatorial positions were divided among the parties. Disputes delayed implementation of the agreement until February 2009, when members of the opposition were sworn in alongside former rivals as ministers in a new government.

The parties to the power-sharing agreement have faced significant challenges in working together to promote political reconciliation and in addressing serious economic and humanitarian needs. The high level of political violence and repression that followed the 2008 elections has subsided, but serious human rights abuses continue. The nascent recovery of the economy, which effectively collapsed in 2008, is tenuous. Zimbabwe is in debt distress, and the official unemployment rate remains over 90%. Humanitarian conditions have improved in the past three years, but localized food insecurity and high chronic malnutrition rates persist. Poor water and sanitation conditions led in 2008 to a nationwide cholera outbreak that killed over 4,000 people, and despite improvements, one-third of rural Zimbabweans still lack clean drinking water. Deteriorating conditions in the country over the past decade led many Zimbabweans to immigrate to neighboring countries, and these economic and political migrants continue to place a substantial burden on the region.

International donors welcomed the power sharing agreement, but have been cautious in reengaging the government. They have predicated a resumption of significant donor aid on additional political reforms. Many remain skeptical that true power sharing exists in the government, which includes several officials from the previous administration. Some question the commitment of the former ruling party, seen as autocratic and repressive by critics, to reform. Foreign investors also remain wary, amid uncertainty regarding the timetable for new elections, tentatively expected in 2012. Substantial movement on outstanding reforms is unlikely at least until after the elections are held.

The U.S. government has been critical of Mugabe and members of his former regime for their lack of respect for human rights and the rule of law, and has enforced targeted sanctions against top government officials and associates since 2002. The United States has, at the same time, provided substantial humanitarian assistance to Zimbabwe. Congress articulated its opposition to the Mugabe government's undemocratic policies in the Zimbabwe Democracy and Economic Recovery Act of 2001 (ZDERA; P.L. 107-99) and subsequent legislation. Some in Congress have proposed policy changes in recent years, suggesting that U.S. sanctions be modified to reflect Zimbabwe's current political construct, while others remain unconvinced that sufficient reform has occurred. Debate on the future of U.S. relations with Zimbabwe is ongoing.

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Introduction

President Robert Mugabe, 86, and his party, the Zimbabwe African National Union--Patriotic Front (ZANU-PF), have ruled Zimbabwe since its independence in 1980. Rising inflation and unemployment rates contributed in the late 1990s to the creation of the opposition Movement for Democratic Change (MDC). The MDC enjoyed initial success, campaigning against a referendum in 2000 that would have expanded the president's powers, made government officials immune from prosecution, and allowed the uncompensated seizure of white-owned land for redistribution to black farmers. The referendum failed, and the MDC won nearly half the parliamentary seats in that year's election. Members of ZANU-PF have since taken numerous, often undemocratic actions to maintain power.[1]

Zimbabwe's most recent elections were held in 2008. They were very controversial and sparked serious political violence that illustrated the deep divide between ZANU-PF and the opposition. After months of uncertainty following a September 2008 power-sharing deal known as the Global Political Agreement (GPA), ZANU-PF and the MDC reached a final accord in January 2009. It led to the creation of a coalition government, with senior positions divided among the parties. Given long-standing tensions between ZANU-PF and the MDC, many observers continue to express skepticism that the parties truly share power. Initial reforms by the current government have stemmed Zimbabwe's runaway inflation rate and stabilized the economy, but significant challenges to the country's recovery remain. South Africa has led regional mediation efforts to address the parties' outstanding concerns. Both parties have agreed to hold national elections in 2012, although a date has yet to be set. The electoral process is expected to be tense.

This report provides an overview of the transitional government and related recent developments. For additional information, see CRS Report RL32723, *Zimbabwe: Background*, by Lauren Ploch.

Background

In January 2009, prior to the formation of the transitional government, Zimbabwe was considered by some analysts to be a failed state.[2] Dubbed "the world's fastest shrinking economy," Zimbabwe saw its Gross Domestic Product (GDP) decline over 50% between 2000 and 2009.[3] After several years of hyperinflation, the country's official inflation rate had risen to a level at which prices doubled in less than 24 hours. Zimbabwe's economy had effectively collapsed, a situation that President Mugabe has frequently blamed on Western sanctions. Critics contend Zimbabwe's economic troubles stem from years of poor governance and mismanagement.

Today, Zimbabwe continues to face serious political and economic challenges. Over 90% of the population lacks formal employment. Life expectancy for Zimbabweans has fallen significantly in the past 20 years, in part due to a high HIV/AIDS prevalence rate. Some 7 million Zimbabweans required food aid in early 2009, and, while the situation has since improved,

[1] The reports of various domestic and international human rights organizations, as well as the U.S. State Department, are cited in this report and in CRS Report RL32723, *Zimbabwe: Background*, by Lauren Ploch.

[2] *Foreign Policy* magazine ranked Zimbabwe third on its list of failed states in 2008, behind Somalia and Sudan. The country ranked second in 2009, switching places with Sudan, but received "improved" rankings of fourth in 2010 and sixth in 2011. The magazine uses 12 economic, social, political, and military indicators to rank countries in order of their "vulnerability to violent internal conflict and social dysfunction." Zimbabwe's rank on the index slid 14 points from 2005 to 2006, suggesting that the country's situation had deteriorated significantly during that period.

[3] According to International Monetary Fund (IMF), Zimbabwe's GDP fell 40% from 2000-2007, and 14% in 2008.

localized food insecurity persists.[4] The breakdown of the country's dilapidated water and sewage systems contributed to an outbreak of cholera in late 2008 that resulted in several thousand deaths and infected almost 100,000.[5] In 2009, over half the population had little or no access to safe drinking water or sanitation. Despite over $50 million in subsequent donor interventions to rehabilitate these systems, the risk of waterborne disease remains high, with one in three rural Zimbabweans still lacking access to clean drinking water. More than 3 million people are estimated to have emigrated in the last decade, including up to half of the country's doctors and nurses. Many hospitals and clinics continue to lack medicines, supplies, and functioning equipment. The public education system has suffered a major decline. Teachers receive wages that are a fraction of those earned by their regional counterparts. Repeated threats by teachers and other civil servants to strike for higher wages continue to pose a challenge for the transitional government as it struggles to raise state revenues to address competing budget priorities.

Flawed elections in 2008 and subsequent months of widespread political violence left the country's political rivals bitterly at odds. At that time, the government of Zimbabwe, considered to be authoritarian by the U.S. State Department and others, found few allies in the international community; several countries, including Botswana, refused to recognize its legitimacy.

The Power-Sharing Agreement

Questions surrounding the legitimacy of the Zimbabwe government in the wake of the March and June 2008 elections (see **Appendix**) left the country mired in political uncertainty for the remainder of that year. President Mugabe delayed the swearing-in of the new parliament and the naming of a new cabinet as South African President Thabo Mbeki and other international leaders pressed for talks between the parties. When the parliament was sworn in on August 25, Lovemore Moyo from Tsvangirai's faction of the MDC (known as MDC-T) was elected speaker.[6]

On September 15, 2008, after several weeks of negotiations overseen by Mbeki, Mugabe and Tsvangirai signed a power-sharing arrangement, the Global Political Agreement (GPA), to resolve the political standoff by establishing a unity government and outlining a time frame for the drafting and adoption of a new constitution. As part of the deal, Tsvangirai would become prime minister in a new unity government, and cabinet positions would be divided among the parties. Mugabe, who remains head of state under the arrangement, would lead the cabinet, but Tsvangirai, as chair of a new Council of Ministers, would be responsible for the day-to-day management of government affairs.[7] Early reports claimed that Tsvangirai would gain control of the police force, while Mugabe would retain control of the armed forces. The text of the agreement, however, left the oversight of the police, which falls under the Ministry of Home Affairs, undetermined, and ZANU-PF refused to relinquish the position.

In the months after the agreement was signed, the MDC accused the government of abducting and torturing over 40 opposition and civil society leaders, including human rights activist Jestina Mukuko. Her whereabouts were unknown for three weeks before she was presented in court on

[4] An estimated 3.5 million Zimbabweans required food aid in 2009/2010, and roughly 1.7 million are estimated to need food aid at the peak of the 2011/2012 hunger season. See USAID's Situation Reports, "Zimbabwe—Complex Emergency," at http://www.usaid.gov.

[5] Between August 2008 and July 2009, Zimbabwe's cholera epidemic infected over 98,500 and killed almost 4,300, according to U.N. sources. Subsequent localized outbreaks have been contained.

[6] The MDC split in 2005 due to internal struggles; one faction, known as MDC-T, is led by Tsvangirai while the other, MDC-M, was led by Arthur Mutambara. Welshman Ncube now leads the smaller MDC faction.

[7] "Zimbabwe Rivals Sign Power-Sharing Deal," Reuters, September 15, 2008.

charges of treason (see "Human Rights Abuses" below).[8] Southern African leaders continued to call on the parties to implement the agreement and to share the Home Affairs Ministry, but Tsvangirai, citing the continued harassment of his colleagues, declared the deal to be unworkable. After Mugabe announced plans to name a new cabinet with or without Tsvangirai's participation, Southern African leaders renewed efforts to bring the parties together, and on January 31, amid reports of significant internal debate among the MDC leadership, Morgan Tsvangirai announced that he would join Mugabe in a transitional coalition government.

The Transitional Government[9]

On February 11, 2009, Morgan Tsvangirai was sworn in as the prime minister of Zimbabwe. Arthur Mutambara, representing the smaller MDC faction (known as MDC-M), was sworn in as a deputy prime minister, as was MDC-T vice president Thokozani Khupe. The positions were created as part of a constitutional amendment approved unanimously by the legislature to formalize the coalition government and the GPA. The controversial Ministry of Home Affairs, which oversees the police service, is now co-chaired by an MDC and a ZANU-PF minister, but the MDC's ability to affect change within the police, still led by a ZANU-PF loyalist, remains in question. The MDC factions gained control of several key ministries, including Finance, Public Service, Water, Energy and Power Development, Public Works, Health, Education, Commerce, and State Enterprises, which oversees parastatals. The party expressed its intention to use the Ministry of Constitutional and Parliamentary Affairs to press for its goal of constitutional reform.

Despite the MDC's purported role as a co-equal partner in government, the parties have been unable to reach agreement on several outstanding reforms demanded by donors. Critics of the previous regime suggest that Mugabe and his allies did not enter into this government in good faith. International donors have repeatedly stated that a resumption of significant aid will depend on both economic and democratic reforms, the restoration of the rule of law, and a demonstrated respect for human rights. Without an influx of considerable foreign funds, many analysts suggest Zimbabwe will struggle to return its economic and social indicators to pre-crisis levels.

The duration of the coalition government was not explicitly defined in the power-sharing agreement, and a considerable amount of political uncertainty regarding the government's future remains. The GPA, now enshrined in Zimbabwe's constitution, outlined a time frame of 18 months for the drafting of a new constitution and a nationwide referendum. Elections are expected to be held several months after the planned referendum, but a timeline for the polls was not provided in the GPA. The contentious constitutional drafting process is behind schedule and elections are now unlikely to occur before mid-2012, if not in 2013.

Zimbabwe Under the Current Government

The following section explores reforms made under Zimbabwe's transitional government and examines several of the challenges to economic recovery and greater political stability.

[8] Mukoko was reportedly abducted from her home at night and beaten while unknown individuals tried to force her to act as a state witness to an alleged MDC terrorist plot.

[9] Analysts and observers often use the terms "transitional," "coalition," "inclusive," and "unity" interchangeably to refer to Zimbabwe's current government.

Economic Reforms Made, but Challenges Remain

Zimbabwe's current finance minister, senior MDC official Tendai Biti, has been credited with initiating critical economic reforms that have led to positive economic growth for the first time in years.[10] Inflation has remained at single digit levels since 2009. The International Monetary Fund (IMF) and others suggest that reforms on the macroeconomic front are encouraging, but the situation remains fragile. The IMF estimates decelerated growth in 2011, however, barring further policy corrections.[11] The adoption of hard currencies (predominantly the U.S. dollar and the South African rand) stabilized prices in 2009 and stemmed a previously rampant inflation rate.[12] The local currency has become effectively worthless. The "dollarization" of the economy, combined with the elimination of price controls, allowed shopkeepers to restock their shelves with basic goods in 2009, but the cost of living remains high. Some retailers are again offering credit to customers, a practice that had been suspended in 2007.

Under the direction of Minister Biti, the government began issuing government "salaries" in vouchers good for $100 U.S. dollars, regardless of seniority, in late February 2009. Absenteeism within the civil service had reportedly reached 50% in the latter half of 2008 as salaries went unpaid, and Biti and Prime Minister Tsvangirai pledged to pay these allowances in an effort to get Zimbabweans to return to work. The vouchers encouraged many civil servants to return, including, notably, the country's teachers, who had been on strike for months. Some progression has been subsequently introduced into the salary structure and wages have been periodically raised, but they remain low by regional salary standards, and the country's unions have repeatedly pressed for further increases.

A cash budgeting policy implemented by Minister Biti in 2009 restored fiscal discipline, although revenues remain limited and wage overruns have caused the government to operate with a deficit since 2010.[13] Revenue generation has improved in the past three years, but the government continues to struggle with a large public wage bill that leaves little for public services or infrastructure repairs. With the assistance of the World Bank, the Finance Ministry has conducted a payroll audit to address concerns that ghost workers have been collecting salaries. The results of that audit, which found 38,000 positions with significant irregularities, including potentially 14,000 ghost workers, have been rejected by President Mugabe and ZANU-PF. The ghost worker issue, along with concerns about the government's indigenization policy and the liquidity of banks, are reportedly among the main issues impeding an agreement between the IMF and the government on an IMF Staff Monitored Program, which would aim to help Zimbabwe establish a track record of strong policies and address its debt distress.

In March 2009, the transitional government introduced the Short Term Emergency Recovery Program (STERP), designed to stabilize Zimbabwe's economy by identifying priority areas as

[10] After years of negative growth, the IMF estimates real GDP growth at 6% in 2009 and 9% in 2010.

[11] IMF, *Zimbabwe: 2011 Article IV Consultation*, IMF Country Report No. 11/135, May 12, 2011.

[12] In late September 2008, under the previous administration, Zimbabwe began officially trading in foreign currency in an attempt to lower prices, and, in early February 2009, the new government adopted hard currencies for transactions.

[13] Under the cash budgeting policy, Biti allowed the government to spend only what it collected in revenue, prompting him to initially cut the new government's first budget, in 2009, almost in half. By mid-year, aid pledges had provided Biti with the flexibility to increase government spending, from $1 to $1.4 billion. In 2010, the government began to operate with a deficit, which it has financed in part with short-term capital flows and nonconcessional borrowing. Given the high level of unemployment and informal business, direct taxes, which once composed over half of the country's tax revenue, now represent a minor contribution.

targets for policy reforms and donor assistance.[14] The program also identified key areas of the economy, including agriculture, mining, manufacturing, and tourism, as anchors of the stabilization effort and stressed the need to promote production and increase capacity in those sectors. By most accounts, STERP has been successful—the World Economic Forum's 2011 *Global Competitiveness Report*, for example, asserts that the economy has made a nascent recovery.[15] STERP was followed in 2010 by a three-year medium-term policy framework, STERP II, aiming to consolidate the recovery efforts begun in the previous year and move Zimbabwe from stabilization to growth and development. In July 2011, the Finance Ministry introduced a Medium Term Plan (MTP) to follow STERP with a longer-term approach to fiscal planning.

Regional electricity shortages and long-overdue domestic electricity infrastructure upgrades complicate economic recovery by reducing the production capacity of the manufacturing and mining sectors. Economists suggest Zimbabwe will require a combination of donor assistance, direct foreign investment, and policy reforms to restore productivity in these key sectors.

Off-Budget Assistance and the Multi-Donor Trust Fund (MDTF)

Finance Ministry officials have repeatedly appealed for external development support to supplement domestic revenues for priority programs, but to date remain unable to attract significant donor financing. Given restrictions by many international donors against direct budget support to the government, the MDC-led Finance Ministry has struggled to find other sources of revenue to pay salaries, particularly for doctors and teachers, and to support public services and infrastructure development. Some donors are providing off-budget assistance for certain sectors in an effort to provide targeted assistance and avoid contributing to the country's entrenched patronage system. The Finance Ministry has coordinated with some donors to identify budget lines (water, education, sanitation, etc.) for which they might assume payouts. Such a strategy requires strong donor coordination, and to that end the World Bank, the African Development Bank (AfDB), and the United Nations Development Program (UNDP) developed a multi-donor trust fund, which is administered by the AfDB in coordination with the Finance Ministry. The fund has to date been focused on water and sanitation and power infrastructure rehabilitation. The United States is not a significant contributor.

Public Finance Management and Reserve Bank Reforms

Many observers see off-budget assistance as a short-term measure until Zimbabwe can establish donor confidence and improve its public finance management, an area for which the World Bank is providing technical support. Central bank governance remains an issue of primary concern to donors. According to the IMF, the quasi-fiscal activities of the Reserve Bank of Zimbabwe (RBZ), under the management of RBZ Governor Gideon Gono, were primarily responsible for the surge in the country's money supply up to 2008.[16] After the government implemented price

[14] Program documents are available online at http://www.zimtreasury.org/.

[15] According to the government's estimates, outputs from the agriculture, manufacturing, and mining sectors declined by 7.3%, 73.3% and 53.9% respectively in 2008. The Finance Ministry reported in its 2010 budget documents that each of those sectors grew in 2009: agriculture by 10%, manufacturing by 8%, mining by 2%, and tourism by 6.5%. The *Global Competitiveness Report*, released in September 2011, shows Zimbabwe's ratings steadily improving. In that report, Zimbabwe continues to score poorly on infrastructure, economic policy, property rights observance, and regulations governing foreign direct investment.

[16] "Quasi-fiscal" activities refer to government actions that may be economically equivalent to taxes or subsidies, but are not formally classified as such. In Zimbabwe, these activities included monetary operations to absorb excess

controls in June 2007, cutting prices of basic commodities by 50% in an effort to stem inflation, manufacturing output fell more than 50% within six months and many firms were forced to close. The price controls also resulted in a shortage of basic goods and contributed to worsening social indicators. The previous government's "fast track" land reform effort, which included the uncompensated seizure of white-owned farms, and recent local ownership regulations have both contributed to significant uncertainty over property rights, deterring foreign direct investment and lowering consumer confidence. In April 2009, Gideon Gono admitted to having "borrowed" over $1 billion from private foreign exchange accounts in the Reserve Bank to pay government expenses. The MDC and donors have pressed for Gono's replacement, but, in the interim, U.S. officials suggest that Biti's reforms have managed to limit Gono's influence over economic policy.

The IMF reports that governance at the bank is improving and has welcomed government efforts to downsize and restructure the RBZ. The government has refocused the RBZ's activities on its core tasks of monetary policy formulation, currency stabilization, and supervision of financial institutions. A new governing board has been credited with downsizing RBZ staff and improving its reporting significantly, although the IMF warns that the bank remains in financial distress.[17]

The Agriculture Sector

Several Southern African countries have suffered from chronic food insecurity in recent years, stemming from a combination of factors, including prolonged drought, floods, and the impact of HIV/AIDS. Zimbabwe, once considered a regional breadbasket, has been particularly hard hit. Experts primarily attribute this food insecurity to unexpectedly severe crop failure, but many suggest that government policies, such as "fast track" land reform and price controls, combined with high prices for inputs such as seeds and fertilizer, limited the population's ability to feed itself. Nearly all of the country's 4,500 commercial farms have been redistributed, some forcibly, to black Zimbabweans. By some accounts, the land redistribution program has been plagued by inefficiencies, with large portions of redistributed land not actively farmed. The transitional government has liberalized grain marketing, formerly tightly controlled by the state; removed import duties; and requested significant donor assistance for the agriculture sector.

Politically charged issues of property rights and land reform are likely to pose the most difficult policy challenges for the government, particularly given that tens of thousands of households have benefited from land redistributions. One of the apparently unintended side effects of Mugabe's land reform strategy, which resulted in the abolition of land tenure, was that farmers were unable to use their land as collateral to obtain bank loans to invest in their farms. As a result, commercial farmers have struggled to raise capital to maintain productivity.[18] Many analysts expect a promised land audit to be a slow and contentious process; donors like the European Union have ruled out supporting newly resettled farmers until the audit is complete.

liquidity; subsidized credit; sustained foreign exchange losses through subsidized exchange rates for government purchases and multiple currency practices; and financial sector restructuring.

[17] IMF, *Zimbabwe: 2011 Article IV Consultation*, IMF Country Report No. 11/135, May 12, 2011.

[18] The government began to distribute 99-year leases in November 2006. Some financial institutions have not considered the new leases as adequate collateral, given that the government reserves the right to cancel the lease if it deems the farm unproductive.

Indigenization and the Mining Sector

Despite efforts by the transitional government to attract foreign investment in Zimbabwe, critics suggest government policies continue to deter would-be investors. ZANU-PF plans to "indigenize" foreign-owned businesses by requiring them to offer a majority share to local black investors were approved by parliament in March 2008, when the party still held the majority. The government insisted at that time that it would not expropriate foreign-owned companies and that the law would not be applied to every company, but rather "on the basis of capital (investment) and employment levels."[19] In early 2010, however, a ZANU-PF minister announced new regulations, demanding that all foreign and locally owned businesses valued at $500,000 or greater transfer at least 51% ownership to black Zimbabweans. According to these regulations, which Prime Minister Tsvangirai dismissed as "null and void" because they were introduced without MDC approval, thousands of companies were given a short deadline to submit plans for compliance; the ZANU-PF minister subsequently agreed to extend the deadline and reexamine the directive, and the government's position on the regulations remains under dispute.[20] Major international companies, including British American Tobacco, Barclays, and Standard Chartered Bank, may be affected.

Mining, along with agriculture, drives Zimbabwe's economy, contributing substantially to foreign currency inflows. Zimbabwe has the world's second-largest reserves of platinum, behind South Africa, and also has sizeable deposits of gold, diamonds, and other minerals.[21] The proposal by ZANU-PF's Minister of Indigenization to transfer majority ownership of the mining industry has been particularly controversial, drawing criticism from multiple sides, including from the IMF, but also from segments of Mugabe's party. The MDC has publicly opposed the regulations.

Calls for Political Reforms Continue

Despite progress on economic reforms, the inclusive government has yet to meet several of the benchmarks for political reform outlined in the GPA. Among the outstanding issues are:

- a halt to police harassment, continued detention, or onerous bail requirements placed on several opposition and civic activists;
- the repeal of repressive legislation that restricts media, NGO, and opposition activities;
- the appointment of MDC provincial governors,[22] and the lack of consensus on the current Reserve Bank governor and the attorney general;
- a halt to ongoing invasions and seizures of commercial farms; and

[19] "Zimbabwe Clarifies Nationalization Legislation," *Financial Times*, March 11, 2008.

[20] Subsequent regulations have reduced the direct equity contribution required be indigenized to 15% with "equity-equivalent" credits, such as social spending, to account for the remainder of the 15% statutory minimum.

[21] The largest mining operations in the country are controlled by Impala Platinum and Anglo Platinum, respectively. These South African-owned companies are the world's largest platinum producers.

[22] Until mid-2011, President Mugabe's refusal to appoint the MDC's Deputy Agriculture Minister-nominee Roy Bennett, a former white farmer, was among the most contentious of the opposition's outstanding demands. Bennett, an MDC MP who had been nominated by Tsvangirai for the ministerial position, was initially arrested on terrorism charges in February 2009 on the day the new coalition cabinet was sworn in. He was held for over a month before being released on bail on a Supreme Court order, and was rearrested in October until a High Court justice ordered his release on bail, based on the original Supreme Court ruling. Bennett was acquitted in May 2010 but Mugabe continued to block his swearing-in. In 2011, after spending considerable time in South Africa based on reported threats against him, he lost his Senate seat due to absence, making him no longer eligible for a cabinet position.

- security sector reform.

Prime Minister Tsvangirai and other MDC leaders have acknowledged progress in some areas of GPA implementation, namely stabilizing the economy; reopening schools, hospitals, and independent newspapers; and restoring basic services in many areas. However, the MDC continues to criticize the slow pace of reform and ongoing abuses of power. Tsvangirai also suggests that development challenges, which are compounded by inadequate energy supply and a lack of infrastructure development, have led to a loss of confidence among the electorate in the current government. Several international donors have expressed similar concerns.

In October 2009, citing the outstanding issues as areas in which ZANU-PF "continued to frustrate the implementation of the GPA," the MDC announced that it was suspending cooperation with ZANU-PF. The MDC remained in government during that time, but the Tsvangirai faction disengaged from executive branch forums, such as the Cabinet and Council of Ministers. The MDC announcement followed the re-arrest of a senior MDC official, Roy Bennett, but many observers suggest that the decision also reflected the growing pressure within the party over the lack of political progress on reforms. Prime Minister Tsvangirai requested intervention from Southern African Development Community leaders, including South African President Jacob Zuma, to place renewed pressure on the parties to resolve their disputes and fully implement the GPA. Zuma publicly expressed concern with the situation, saying "Zimbabwe should not be allowed to slide back into instability." Botswana's president announced that he would not recognize Robert Mugabe as president of Zimbabwe outside the transitional government.[23] Following SADC mediation, the MDC ministers reengaged with their ZANU-PF counterparts the following month, but several of the party's demands for reform remain outstanding and negotiations have continued, with Zuma as mediator.

The parties have reportedly resolved their disagreements on a number of political appointments in the past three years. However, President Mugabe has yet to accept the MDC appointees for the provincial governor posts, and he has refused to replace the Reserve Bank governor and attorney general, despite MDC protests. Laws restricting the freedoms of speech and association continue to be used against independent media (despite the formation of a new media commission and registration of independent daily newspapers), to levy charges against political opponents, and to support police action to break up public gatherings. Efforts to repeal them have, to date, stalled. A number of MDC officials, including several members of parliament and current cabinet ministers, have been arrested during this government's tenure. Some analysts suggest a series of arrests of MDC MPs in 2010-early 2011 were part of an effort to overturn the party's parliamentary majority—ZANU-PF challenged the legitimacy of Speaker Moyo's position in parliament in March 2011, but he was reelected by a substantial majority of MPs; including a small number of ZANU-PF MPs.[24] Civic activists, including Farai Maguwu, who has investigated abuses in the Marange diamond fields, have also been detained by police. Reports of sporadic violence by alleged ZANU-PF militia against MDC supporters continue.

Regional heads of state have expressed concern over outstanding political issues in Zimbabwe during several recent meetings of the SADC, and South African President Jacob Zuma continues to lead regional mediation efforts, in collaboration with a smaller panel of three SADC heads of state known as the "Troika." Under the terms of the GPA, progress toward the political accord is monitored by a Joint Monitoring and Implementation Committee ("JOMIC"), composed of four senior members from ZANU-PF and four senior members from each of the two MDC factions. The JOMIC can receive reports and complaints, provide assessments, and consider steps to

[23] "Zimbabwe PM Begins Regional Tour," VOA News, October 20, 2009.

[24] Zimbabwe's laws require MPs sentenced to six or more months of imprisonment to be immediately suspended.

ensure compliance with the agreement, but it lacks enforcement authority. As a guarantor and facilitator of the GPA, SADC has proposed placing several regional representatives in the JOMIC structure to improve its effectiveness. President Zuma has stressed the need for the parties to hasten the pace of reforms, but he has refrained from publicly criticizing Mugabe (see "South Africa" below). Under SADC mediation, ZANU-PF and the MDC have agreed to a "roadmap" toward new elections, but its implementation appears likely to be contentious, as evidenced by ongoing tensions surrounding proposed electoral and constitutional reforms.

The Security Sector and Possible Internal Struggles within ZANU-PF

Reports suggest that hardline elements within ZANU-PF, including within the military, police, and intelligence services, have actively attempted to undermine the transitional government. Some suggest that continuing farm invasions and the detention of MDC officials and civic activists are part of that effort. Mugabe and other ZANU-PF officials remain largely in control of the security sector. Several of the security service chiefs, including the heads of the army and the police, publicly announced in 2008 that they would not recognize an electoral victory by anyone other than Mugabe.[25] Some continue to refuse to publicly recognize Prime Minister Tsvangirai's authority. Tsvangirai sits on a new National Security Council, as mandated by the GPA, but its meetings have been infrequent.

In view of Mugabe's advanced age, rumors of his ill health, and reports of power struggles within his party, the question of presidential succession has led some analysts to raise concerns over the possibility of a violent succession struggle or military coup in the event that he dies in office.[26] Under the constitution, the president may designate one of the country's two vice presidents to serve as acting president until the next election if he should leave office, but Mugabe has never done so. In 2004, Joice Mujuru, a veteran of the liberation struggle and women's movement leader, beat Emmerson Mnangagwa, then speaker of the parliament and long touted as Mugabe's heir, for the position of second vice president (a decision taken within the party). Some suggest that Mnangagwa, now minister of defense and considered to be among the party's most influential hardliners, has lobbied since then to have Mujuru replaced. Mnangagwa's national popularity has been hampered by accusations that he led the purge of alleged regime opponents in Matabeleland in the 1980s.

Joseph Msika served as the country's other vice president until his death in August 2009 at age 86. According to some reports, Mnangagwa tried, but failed, in the following months to have Joice Mujuru replaced as vice president with a candidate of his own as the party reconsidered its leadership slate. In December 2009, however, delegates at ZANU-PF's party congress reelected Mujuru as vice president and chose then-party national chairman John Nkomo, 75, to replace Msika. Both Msika and Nkomo are from the Ndebele minority. The recent death of Vice President Joice Mujuru's husband, retired General Solomon "Rex" Mujuru, who was an influential figure in ZANU-PF politics and the purported leader of a so-called "moderate" faction of the party, has highlighted internal party tensions. Some have alleged that Mujuru's death, in a house fire, was not accidental.[27] Adding to the controversy, local media have reported on the release of a series of documents in 2011 that allegedly highlight internal ZANU-PF speculation about Mugabe's

[25] "Zim Prisons Chief Orders Officers to Vote Mugabe," Reuters, February 29, 2008.

[26] For more information on succession issues, see International Crisis Group, "Zimbabwe: Engaging the Inclusive Government," *Africa Briefing No. 59,* April, 20 2009.

[27] Nickolaus Bauer, "Zimbabwe's General Solomon Mujuru Dies in Fire," Mail and Guardian, August 16, 2011.

possible political exit and death, Some reports suggest that the revelations have embarrassed the president and could affect his decision on whether to seek reelection.[28]

Human Rights Abuses

Under the former ZANU-PF government, Zimbabwe was considered by some to be among the world's most repressive states.[29] The State Department has repeatedly accused the government of the pervasive and systemic abuse of human rights, including the state-sanctioned use of excessive force, torture, and unlawful killings.[30] In 2010, the State Department reported that over 289 people had died from injuries sustained during violence targeting the opposition in 2008, and that, according to one non-governmental organization, as many as 22,000 victims had sought treatment for political violence sustained that year.[31] In July 2010, the party released a report identifying over 11,000 alleged perpetrators of political violence in Zimbabwe.[32] The State Department reports that, as of the most recent publication of its annual human rights report, there had been no prosecutions or convictions related to any of the politically related killings that occurred in 2008.

The number of monthly human rights violations reported decreased substantially after the coalition government was formed in 2009, but reports of retributive violence between ZANU-PF and MDC supporters have continued.[33] The number of violent incidents against MDC activists reportedly began to rise in early 2010, possibly related to the ongoing constitutional review process, according to USAID.[34] Some reports also suggest that ZANU-PF supporters may continue to operate alleged "torture centers" throughout the country.[35] The State Department's most recent human rights report, issued in April 2011, cites continuing abuses:

> Security forces, the police, and ZANU-PF-dominated elements of the government continued to commit numerous, serious human rights abuses. ZANU-PF's dominant control and manipulation of the political process through trumped-up charges, arbitrary arrest, intimidation, and corruption effectively negated the right of citizens to change their government. There were no politically motivated killings by government agents during the year, however, security forces continued to torture, beat, and abuse non ZANU-PF political activists and party members, student leaders, and civil society activists with impunity. Projections of an early election in 2011 also led to an increase in the number of cases of harassment and intimidation... Security forces continued to refuse to document cases of political violence committed by ZANU-PF loyalists against members of other political parties... Security forces, which regularly acted with impunity, arbitrarily arrested and detained activists not associated with ZANU-PF, members of civil society, labor leaders, journalists, demonstrators, and religious leaders; lengthy pretrial detention was a problem. Executive influence and interference in the judiciary continued... The government continued to use repressive laws to suppress freedom of speech, press, assembly, association, and movement... High-ranking government officials made numerous public

[28] See, e.g., "Will Mugabe's Party Be Torn Apart by Wikileaks?" BBC, October 27, 2011; and "Mugabe Hints at Wikileaks Probe," AFP, October 13, 2011.

[29] See, for example, Freedom House, "Country Report: Zimbabwe," *Freedom in the World 2006: The Annual Survey of Political Rights and Civil Liberties*.

[30] See the annual reports on human rights of the U.S. Department of State.

[31] The U.S. Department of State, "Zimbabwe," *2009 Human Rights Report*, March 11, 2010.

[32] For more information on the report, see the MDC's official website at http://www.mdc.co.zw/.

[33] See, e.g., the reports of a domestic group, Zimbabwe Human Rights NGO Forum, at http://www.hrforumzim.com.

[34] USAID, "Zimbabwe—Complex Emergency," Situation Report #1, Fiscal Year (FY) 2010, April 26, 2010.

[35] Human Rights Watch, *False Dawn: The Zimbabwe Power-Sharing Government's Failure to Deliver Human Rights Improvements*, August 2009.

threats of violence against demonstrators and political activists not associated with ZANU-PF.

Human Rights Watch has suggested that the MDC lacks effective authority in the power sharing arrangement, and has charged that "the MDC has not forcefully insisted on justice and accountability for human rights abuses, nor has it attempted to bring the perpetrators of those abuses to book."[36] A decision by Zimbabwe's Supreme Court on September 28, 2009, however, indicates that victims of state abuses may begin to find recourse through the justice sector. In that ruling, the chief justice granted Jestina Mukoko, mentioned above, and nine of her fellow defendants a permanent stay of prosecution after Mukoko testified that their confessions had been obtained by security forces through torture. The court found that "the state, through its agents, violated the applicant's constitutional rights."[37]

Justice Sector Reforms

Several laws enacted under the previous ZANU-PF-dominated parliament continue to raise concerns with respect to the protection of human rights in Zimbabwe. Laws that critics contend have been used to quiet dissent and influence political developments include, but are not limited to, the following: the Access to Information and Protection of Privacy Act (AIPPA), the Public Order and Security Act (POSA), the Criminal Law (Codification and Reform) Act, and the Miscellaneous Offences Act (MOA).[38] The ZANU-PF parliament also passed several controversial constitutional amendments which some analysts contend breach international human rights standards. The South African-led SADC negotiations led in January 2008 to amendments to both AIPPA and POSA. Critics suggest the amendments did not adequately address human rights concerns and have not been fully implemented.[39] The MDC has introduced legislation to repeal POSA, but to date it remains stalled in parliament.

Civic activists have called for reforms in the judiciary. The MDC Home Affairs co-minister ordered police to compile complaints of political violence committed since the March 2008 election; several thousand allegations were subsequently collected. The government has yet to prosecute those who might be responsible for crimes related to Operation Murambatsvina (the demolition of informal urban settlements in 2005) or subsequent evictions. The ability of the judicial system to protect its citizens and their property, or to provide due process to those seeking remedy or compensation, will be a critical step toward the restoration of the rule of law.

Farm Invasions

At the time of Zimbabwe's independence in 1980, the country's white minority, which composed less than 5% of the population, owned the vast majority of arable land. Many observers at the time considered the country's commercial farms crucial to the country's economy, although there was general recognition that reforms were needed to provide greater equity in land distribution. Britain initially funded a "willing buyer, willing seller" program to redistribute commercial farmland, offering compensation to white farmers amenable to leaving their lands. Dissatisfaction with the pace of land reform grew and led in the 1990s to ad hoc and often violent farm invasions by armed groups that critics allege had government backing. Facing rising political and economic

[36] Human Rights Watch, *False Dawn: The Zimbabwe Power-Sharing Government's Failure to Deliver Human Rights Improvements*, August 2009.

[37] "Zimbabwe Drops Activist Charges," BBC, September 28, 2009.

[38] For more information on these laws, see CRS Report RL32723, *Zimbabwe: Background*, by Lauren Ploch.

[39] Human Rights Watch, *All Over Again: Human Rights Abuses and Flawed Electoral Conditions in Zimbabwe's Coming Elections*, Vol. 20, No. 2(A), March 2008.

challenges, the government of Zimbabwe began to implement aggressive land expropriation policies, sometimes reportedly benefiting government elite, leading Britain and other donors to begin withdrawing financial support for resettlement. In 2000, the government held a referendum to approve changes to the constitution that would allow land seizures without compensation. The referendum was rejected by 55% of voters. Within days of the vote, however, so-called veterans of the independence struggle and ruling party supporters moved onto an estimated 1,000 white-owned farms, and, months later, the president invoked emergency powers to expropriate land without compensation. There were numerous attacks against white farmers and their employees.

Farm invasions have continued sporadically, but reports suggest a renewed effort to remove the remaining white farmers may have begun in 2009.[40] The looting and violence associated with these invasions has affected not only the commercial farmers, but also often black Zimbabwean farm workers and their families.[41] President Mugabe and ZANU-PF ministers continue to ignore a 2008 ruling by SADC regional tribunal that found Zimbabwe's land redistribution program to be illegal, in part because it was based on racial discrimination.[42] The invasions also have continued in spite of a pledge in the STERP that the government would "uphold the rule of law as well as enforce law and order on farms, including arresting any further farm invasions, which disrupt farming activities." Prime Minister Tsvangirai has called the evictions acts of theft and ordered police to arrest violators, but police compliance with his order appears lacking.

"Blood Diamonds"?

The World Diamond Council (WDC), a diamond industry organization that aims to prevent the trade of conflict diamonds, raised initial concerns in December 2008 that rough diamonds from Zimbabwe were being exported illegally, rather than through the Kimberly Process (KP), an international government certification scheme designed to prevent the "blood diamond" trade.[43] According to civil society reports, Zimbabwean police and soldiers, as well as private security personnel, have committed serious abuses against local miners in the Marange diamond fields of Chiadzwa, in eastern Zimbabwe.[44] The reports also suggest security personnel have forced villagers to labor in the Marange mines and have then smuggled the stones from the country. The Finance Ministry and the MDC have raised further questions regarding the transparency of

[40] International Crisis Group, "Zimbabwe: Engaging the Inclusive Government," *Africa Briefing No. 59*, 20 April 2009.

[41] Press Statement by the General Agriculture and Plantation Workers Union of Zimbabwe, "Zimbabwe Farm-Workers Bear the Brunt of Invasions," April 1, 2009, available at http://www.citizenjournalismafrica.org/node/1406.

[42] The case was brought before the regional court by 78 white farmers. The ruling, delivered on November 28, 2008, found that their evictions had violated the government's obligation to the rule of law under the SADC treaty. In a separate case, the International Center for the Settlement of Investment Disputes (ICSID) sitting in Paris ruled on 22 April 2009, in favor of 13 Dutch farmers against the Government of Zimbabwe. According to the ruling, the government broke a bilateral investment agreement with the Netherlands by seizing the farms without providing just compensation. The ICSID awarded the farmers approximately $21 million, including interest, in compensation.

[43] World Diamond Council, "WDC Calls for Concerted International Action to Halt Theft of Natural Resources in Zimbabwe," December 10, 2008; "Soldiers are the New Illegal Diamond Miners," UN IRIN, January 20, 2009.

[44] See, e.g., HRW, "Zimbabwe: Rampant Abuses in Marange Diamond Fields," August 30, 2011; "Marange Diamond Field: Zimbabwe Torture Camp Discovered," BBC Panorama, August 8, 2011; and Partnership Africa Canada, *Diamonds and Clubs: The Militarized Control of Diamonds in Zimbabwe*, June 2010.

revenues from the Marange mines,[45] and critics have suggested that ZANU-PF may be using illicit profits from diamonds to finance its upcoming electoral campaigns.[46]

The European Union pressed for an investigation into Zimbabwe's compliance with its Kimberly obligations in early 2009, and a high-level KP delegation visited Zimbabwe in March to express the group's concern with reports of violence and smuggling from the Marange area. The KP Secretariat refrained from suspending Zimbabwe from the certification scheme at that time.[47] During a KP Plenary meeting in late 2009, the body called for stringent export controls on diamonds from Marange. The Zimbabwe government reported later that month that security forces had begun to withdraw from the area, and a judge ordered that the Reserve Bank of Zimbabwe hold all diamonds from the area until legal claims regarding the Marange mines were resolved. Some argue that "Zimbabwe poses a serious crisis of credibility for the KP."[48] The U.S. government and others called for Zimbabwe to be suspended from the Process if the controls recommended at the KP Plenary were not implemented. In June 2011, the KP Chair, held by Mathieu Yamba of the Democratic Republic of Congo (DRC), announced that exports from Marange could resume. The United States and other Western governments, along with several human rights and industry groups, protested the announcement, arguing that KP decisions should be based on consensus.[49] The next KP Plenary is scheduled for November 2011.

The Kimberly Process had previously investigated allegations that "blood diamonds" from the DRC were being smuggled along with rough stones from Zimbabwe into South Africa for export. The Mugabe government dismissed those claims as a Western attempt to promote regime change. Zimbabwe has been previously linked to conflict diamonds; senior officials were named in a 2003 U.N. report for profiting from illicit trade during Zimbabwe's military operations in the DRC.[50]

International Reactions

The international community has been divided on how to respond to Zimbabwe's political troubles, and many donors remain cautious about when, and under what conditions, international lending should resume. Western governments, including the United States, the United Kingdom, and the member states of the European Union, have been highly critical of ZANU-PF policies, particularly during the political violence that followed the 2008 elections. These governments welcomed the transitional government's reform agenda in 2009 but remain reluctant to lift sanctions and fully reengage, or to release significant funds to the Zimbabwe government. African governments, particularly those in the sub-region, have expressed support for the transitional government, but several, including South Africa, continue to press for further reforms. China has been vocal in calling for Western governments to lift their sanctions against the country. Zimbabwe owes an estimated $8.8 billion in external debt, and remains in arrears to the major international financial institutions, including the IMF and World Bank, and thus remains

[45] See, e.g., "Millions of Dollars in Diamonds Missing," SW Radio Africa, September 28, 2011; and Statement of Finance Minister Biti before Parliament, "The 2011 Mid-Year Fiscal Policy Review: Riding the Storm: Economies in the Time of Challenges," July 26, 2011.

[46] See, e.g., Civil Society Monitoring Mechanism, *Annual Review of the Performance of the Inclusive Government of Zimbabwe,* February 2011; and "ZANU (PF)s Blood Diamond Boost," *The Zimbabwean*, March 2, 2011.

[47] Kimberly Process Certification Scheme Secretariat, "Public Statement on the Situation in the Marange Diamond Fields, Zimbabwe," March 2009.

[48] Partnership Africa Canada, *Diamonds and Clubs: The Militarized Control of Diamonds in Zimbabwe*, June 2010.

[49] U.S. Department of State, "No Consensus at Kimberley Process Intersessional," Press Statement, June 24, 2011.

[50] Zimbabwe is a signatory of the Kimberly Process.

ineligible for new loans. International donors provided an estimated $540 million in the first year of the transitional government for social services and humanitarian assistance, according to the IMF, and 2011 donor contributions are expected to total roughly $770 million in off-budget assistance, including food aid, medicine, and expenditures under the MDTF.[51]

Many analysts suggest that Zimbabwe will require a significant influx of foreign donor assistance to bolster its nascent economic recovery. In 2009, the IMF warned that "in the absence of cash budget support, higher humanitarian assistance, and wage restraint, the economic and social situation could deteriorate significantly."[52] The IMF expressed similar concerns two years later. However, donors have been wary to commit large-scale funding, and may be unlikely to do so until free and fair elections are held. In early 2010, Mugabe and other ZANU-PF officials publicly indicated that the party would not make further political concessions until "Tsvangirai and his western allies remove their sanctions."[53] The reactions of various international organizations and foreign governments to Zimbabwe's 2008 elections and to its transitional government are discussed below.

The Southern African Development Community (SADC)

Many critics of Mugabe's leadership in Zimbabwe have faulted the regional body SADC for inaction over the past decade as Zimbabwe's political and economic crisis worsened. Some within the organization advocated for it to take a stronger position, among them Zambia's now-deceased President Levy Mwanawasa, who in 2007 called Zimbabwe "a sinking Titanic whose passengers are jumping out to save their lives."[54] Mwanawasa, who served as the head of SADC before his death, convened an extraordinary meeting of the Southern African heads of state in April 2008 to discuss Zimbabwe's elections. SADC leaders at that time declined to call the situation in Zimbabwe a crisis. They did, however, publicly urge the government to release the electoral results "expeditiously," allow opposition representatives to be present when vote tabulations were verified, and ensure that a runoff, if needed, would be held in a "secure environment."[55] Mwanawasa reportedly asked the leaders to seek solutions that would allow "the people's verdict" to be heard so that Zimbabweans could "turn [over] a new leaf in their history." Mugabe reportedly called the meeting "a show staged by Britain."[56]

Following Tsvangirai's withdrawal from the runoff, President Mwanawasa reportedly commented that "elections held in such an environment will not only be undemocratic but will also bring embarrassment to the region."[57] He suffered a stroke on the eve of the 2008 African Union summit and passed away in August 2008. After the runoff, Botswana took the strongest stance on Zimbabwe, declaring on July 4 that it would not recognize Mugabe as president. In November 2008, Botswana called on the international community to isolate Mugabe and urged neighboring countries to close their borders. Several other international leaders became increasingly critical of the SADC response to the Zimbabwe crisis—former U.N. Secretary General Kofi Annan declared

[51] IMF, "IMF Executive Board Concludes 2010 Article IV Consultation with Zimbabwe," May 25, 2010; and *Zimbabwe: 2011 Article IV Consultation,* IMF Country Report No. 11/135, May 12, 2011.

[52] IMF, *Zimbabwe: 2009 Article IV Consultation,* IMF Country Report No. 09/139, April 20, 2009.

[53] "Zimbabwe: Little to Celebrate After a Year," UN IRIN, February 11, 2010.

[54] "Zimbabwe 'A Sinking Titanic,'" *Financial Times,* March 22, 2007.

[55]SADC Communiqué, "2008 First Extra-ordinary SADC Summit of Heads of State and Government Issued on April 13, 2008, in Lusaka, Zambia."

[56]Fiona Forde, "Summit on Zim 'Coup' Crisis Stalls," *Sunday Independent,* April 13, 2008.

[57] Cris Chinaka, "Tsvangirai's Risky Gamble Needs Regional Backing," Reuters, June 22, 2008.

in late 2008, "It's obvious that SADC could have and should have done more."[58] Reportedly frustrated by the lack of progress on the implementation of the power sharing agreement and amidst growing criticism from within the region, the SADC heads of state convened in late January 2009 for another push to mediate a final settlement on Zimbabwe.[59]

Regional heads of state have continued to express concern over outstanding political issues in Zimbabwe during the transitional government's tenure, and have determined that disputes be addressed by a smaller panel of three SADC heads of state known as the "Troika". South African President Jacob Zuma, who took over from Thabo Mbeki as SADC's mediator on the Zimbabwe situation in November, has reportedly led the push for further reforms. In March 2011, the Troika met in Livingstone, Zambia, to discuss, among other items, the Zimbabwe situation. President Zuma briefed his counterparts on the latest developments, including a recent appeal by Prime Minister Tsvangirai for greater intervention to resolve outstanding political disputes and facilitate a path to credible elections. In his opening remarks at that meeting, Zambian President Rupiah Banda warned that the recent uprisings in North Africa were a warning of what could happen if the will of the people is not respected, a comment many observers considered to be a veiled warning regarding Zimbabwe. In its official statement, referred to as the "Livingstone Communiqué," the Troika noted disappointment with "insufficient progress" in the implementation of the GPA and noted a "resurgence of violence, arrests, and intimidation" in Zimbabwe. The communiqué called for an end to the violence and harassment and called for SADC to "assist" Zimbabwe to prepare guidelines for peaceful, free, and fair elections. President Mugabe and members of his party expressed displeasure with the Troika's findings.

In a June 2011 SADC Summit in Sandton, South Africa, President Zuma issued a new report on Zimbabwe, reiterating the findings referenced in the Livingstone Communiqué and calling for an immediate end to the violence, harassment, and other actions that contradict the GPA. The SADC heads of state confirmed a decision to appoint three officials from the region to support Zimbabwe's mechanism for monitoring implementation of the GPA. ZANU-PF objected, arguing that this would impinge on Zimbabwe's national sovereignty. The MDC continues to press for SADC to take a more forceful position on security sector reforms and other efforts to prevent the type of violence that surrounded the 2008 polls. The Obama Administration has been supportive of SADC mediation efforts under President Zuma's leadership, but continues to oppose SADC calls for the West to lift sanctions against Mugabe and senior ZANU-PF officials.

The African Union (AU)

The African Union was critical of the violence in Zimbabwe in 2008, but lacked consensus on how to address the issue. At the 2008 AU Summit in Sharm el Sheikh, Botswana, Kenya, Liberia, Sierra Leone, and Ghana called for punitive measures against the Mugabe regime. The AU ultimately failed to reach agreement on sanctions, but issued a public call for talks toward a unity government. While the AU has traditionally deferred to sub-regional mediation efforts, reports suggest the AU chairman at the time, Tanzanian President Jakaya Kikwete (who is also a member of SADC), encouraged a greater role on Zimbabwe by the United Nations. Kenya's prime minister, Raila Odinga, and former U.N. Secretary-General Kofi Annan commented that Southern African leaders could do more to resolve the crisis. Odinga received widespread attention for his comments on Zimbabwe, and he called on AU leaders not to allow Mugabe to attend the Sharm

[58] "Barred from Zimbabwe, but Not Silent," *The New York Times*, November 26, 2008.

[59] "A Growing Chorus in S. Africa Urges Action on Mugabe," *Washington Post*, January 26, 2009.

el-Sheikh summit. Odinga also called for peacekeepers to be sent to Zimbabwe. More recently, Odinga visited Zimbabwe to serve as a keynote speaker at the MDC's 2011 party congress.

South Africa

South Africa is home to more than 3 million illegal immigrants, most from Zimbabwe. Some South Africans blame immigrants for the country's high crime and unemployment rates. An outbreak of xenophobic violence in May 2008 highlighted these tensions. At that time, Zimbabweans and other foreign nationals were targeted by mobs in several South African townships; at least 60 were killed and over 25,000 fled their homes, leading the government to deploy the army internally for the first time since the end of apartheid to stem the violence. Periodic isolated attacks against Zimbabweans have continued, and South Africa recently resumed the deportation of undocumented Zimbabwean migrants.

Many South Africans have also expressed concern over the human rights abuses reported across their northern border in recent years. Former South African President Thabo Mbeki drew substantial criticism at home from opposition parties, trade unions, and civil society groups for his reaction to Zimbabwe's 2008 elections. In the months following Zimbabwe's elections, domestic public pressure may ultimately have forced Mbeki to take a stronger position on the violence there: Mbeki visited the country several times and in May 2008 dispatched six retired generals to investigate reports of attacks on the opposition. They reportedly expressed shock at the level of violence.[60] Several senior officials within the ruling African National Congress (ANC) party were more outspoken than Mbeki.[61] The ANC, in reaction to the June 2008 runoff, noted the effect of Zimbabwe's instability on the region and accused the Zimbabwe government of "riding roughshod over the hard-won democratic rights of the people." An official statement cited "compelling evidence of violence, intimidation and outright terror; the studied harassment of the leadership of the MDC, including its Presidential candidate, by the security organs of the Zimbabwean government." The ANC warned outside players not to try to impose regime change, however, and expressed continued support for President Mbeki's mediation efforts.[62] According to local media, Mbeki declared in July 2008 that there was no legitimate government in Harare and that the creation of a unity government was necessary.[63]

South Africa's current president, Jacob Zuma, who now serves as mediator between the parties to the GPA, was publicly critical of the 2008 elections, saying, "there is a crisis in Zimbabwe. We ought to stand up and do something about it." While not directly charging the Mugabe Administration with rigging, he distanced himself from Mbeki's "quiet diplomacy" approach. In April 2008, he told reporters, "Definitely there is something wrong with those elections.... I think the manner in which the electoral commission has acted has discredited itself, and therefore that is tantamount to sabotaging the elections."[64] Zuma did not call for Mbeki to step down as mediator, but said "I imagine that the leaders in Africa should really move in to unlock this

[60] "Anxiety Grows for Kidnaped Zimbabwe Activist," VOA, May 18, 2008.

[61] See, e.g., "Zimbabwe's Political Crisis Enters South Africa Domestic Politics," VOA, April 17, 2008; and Statement by Speaker Baleka Mbete in Cape Town, 13 April 2008, available at http://www.parliament.gov.za.

[62] "South Africa: Finding a Workable Solution to the Crisis," Press Release issued by the ANC on 27 June 2008.

[63] "Mbeki Brands Mugabe's Rule Illegitimate," *Pretoria News*, July 8, 2008.

[64] "Zimbabwe Crisis at Critical Level, Warns Zuma," *CNN*, April 24, 2008.

logjam,"[65] and called for African leaders to "assist" Mbeki as mediator, "given the gravity of the situation."[66]

In his role as mediator, Zuma has stressed the need for the parties to hasten the pace of reforms in 2011, but he has to date refrained from publicly criticizing Mugabe. He has reportedly been more vocal in his views toward President Mugabe in private.[67] Zuma has also criticized Western governments, however, for withholding financial assistance from the coalition government.

The United Nations

In the wake of the March 2008 elections, U.N. Secretary-General Ban Ki-moon joined the United States, Great Britain, and France in calling on the U.N. Security Council to address the Zimbabwe situation. In response to delayed release of the electoral results, he warned that "the credibility of the democratic process in Africa could be at stake."[68] His concern was echoed by the U.N. High Commissioner for Human Rights, who called the runoff a "perversion of democracy."[69] The U.N. Security Council held a special session on April 29, 2008, to discuss Zimbabwe. European and Latin American members pressed for a U.N. envoy to visit the country, while other delegations, including South Africa's, rejected the proposal. President Mugabe denounced the closed session as "sinister, racist, and colonial."[70] On June 22, the Council issued a Presidential Statement condemning the violence and acts of political repression by the government of Zimbabwe.

In July 2008, the Group of Eight (G8) nations, many of whom already had sanctions in place, agreed to impose sanctions against the Mugabe regime due to the ongoing violence. This set the stage for a U.S.-sponsored resolution in the U.N. Security Council. The resolution (S/2008/447) called for targeted sanctions on 14 members of the Mugabe regime, and an arms embargo. It also requested the appointment of a U.N. Special Representative on Zimbabwe and the creation of a Panel of Experts to monitor the situation and the effects of the sanctions. Russia and China vetoed the resolution. The vote was nine, including Burkina Faso, in favor, and five—South Africa, Russia, China, Vietnam, and Libya—against. South Africa's ambassador to the U.N. repeatedly expressed reservations about imposing sanctions on Zimbabwe, arguing that the situation in Zimbabwe did not pose a threat to international security and thus should not be considered to be a matter for the U.N. Security Council. Some criticized South Africa's position, suggesting that the xenophobic violence against Zimbabwean immigrants in South Africa was only one of several examples of how the crisis in Zimbabwe had affected the region.

The United Kingdom and the European Union

The European Union (EU) maintains targeted sanctions against members of Zimbabwe's former administration, many of whom remain in office under the coalition government, and EU sanctions prohibit member states from selling weapons to the country. Britain's Queen Elizabeth stripped Mugabe of an honorable Knighthood he received in 1994.

In early September 2009, the EU sent its first high-level delegation to Zimbabwe in seven years. EU officials stressed that the visit was intended to renew diplomatic engagement, but that the EU

[65] "Africa Shows Impatience on Zimbabwe Crisis," Reuters, April 22, 2008.

[66] "Zuma Ratchets Up Rhetoric Over Zimbabwe," *Financial Times*, April 22, 2008.

[67] "Mugabe Faces Tougher Scrutiny, Says ANC," *Business Day* (South Africa), August 27, 2009.

[68] "U.N. Council and AU to debate Zimbabwe," Reuters, April 16, 2008.

[69] "Elections Won't Be Delayed, Zimbabwe Insists," *International Herald Tribune*, June 27, 2008.

[70] "Zimbabwe Dismisses U.N. Talks," Reuters, April 30, 2008.

would not consider lifting its targeted sanctions until the GPA was fully implemented. In January 2010, Foreign Secretary David Miliband drew criticism from some observers, and from some in the MDC, for comments made at the World Economic Forum in Davos, Switzerland, that appeared to imply that the EU would consider easing its sanctions on Zimbabwe only upon the recommendation of Prime Minister Tsvangirai. MDC officials called Miliband's comments unhelpful and suggested that they undermined Tsvangirai's position in negotiations with Mugabe. The British Foreign Office later clarified the UK's position, stating that any change in its stance on sanctions would be determined by the British government based on progress on political reforms. The EU has renewed its targeted sanctions, but has removed several individuals and entities from the sanctions list.[71] The EU continues to provide humanitarian and limited development assistance.

U.S. Policy on Zimbabwe

The U.S. government has been critical of President Mugabe and members of his former regime for their poor human rights record and lack of respect for the rule of law. For much of the past decade, the United States has imposed targeted sanctions (see below) against the government, including financial and travel sanctions against select individuals;[72] bans on transfers of defense items and services; and suspension of non-humanitarian assistance to the government. At the same time, the United States has remained one of the largest donors of humanitarian assistance to the people of Zimbabwe. With the exception of defense items, the United States has not imposed trade sanctions on the country.[73]

The George W. Bush Administration was highly critical of the ZANU-PF government. Prior to the 2008 runoff, then-Assistant Secretary of State Jendayi Frazer accused Mugabe of "trying to steal the election," saying, "my preferred option would be that the will of the people be accepted. That Mr. Mugabe does the honorable thing and steps down."[74] In May 2008, a State Department spokesman urged Mugabe to "call off his dogs,"[75] and the U.S. Ambassador publicly condemned what he referred to as a "systematic campaign of violence designed to block this vote for change ... orchestrated at the highest levels of the ruling party."[76] American diplomats and officials from other foreign embassies report that they were repeatedly harassed by elements of the Mugabe regime, in violation of the Vienna Convention. In the months following the 2008 elections, the Bush Administration repeatedly called for African governments to play a greater role in resolving the political impasse. Former Secretary of State Condoleezza Rice said more bluntly, "It is time for Africa to step up."[77] In December, she called the power sharing talks a "sham."[78]

[71] Among those removed from the list was Dumiso Dabengwa, a former ZANU-PF minister who left the party and has been publicly critical of its policies, several other individuals removed from the list died in 2009.

[72] President Bush first imposed these sanctions in March 2003 in Executive Order 13288, which prohibits transactions with persons, entities, or organizations found to be undermining democratic institutions and processes in Zimbabwe.

[73] Zimbabwe is not eligible for trade benefits under the African Growth and Opportunity Act (AGOA) because of its poor record of economic management and human rights abuses.

[74] News Briefing by State Department Spokesman Sean McCormack on April 15, 2008, and "Mugabe Trying to Steal Elections, Says U.S. Official," *CNN*, April 24, 2008.

[75] Daily Press Briefing by State Department Spokesman Tom Casey, May 1, 2008.

[76] Statement by Ambassador James McGee, "Breaking the Silence on Political Violence in Zimbabwe," May 8, 2008.

[77] On-the-Record Briefing by Secretary Rice in Washington, DC, April 17, 2008.

[78] Roundtable with Secretary Rice and the Associated Press on December 15, 2008.

The Obama Administration has expressed support for the transitional government, but has been cautious in its engagement as Administration officials continue to press for the full implementation of the GPA. Both President Obama and Secretary of State Hillary Rodham Clinton met with Prime Minister Tsvangirai during a visit to Washington, DC, in June 2009. President Mugabe is prohibited from traveling to the United States, except for U.N. events. The State Department has emphasized that it "will not consider providing additional development assistance or even easing sanctions until we see effective governance."[79] In late 2009, President Obama presented the human rights group Women of Zimbabwe Arise (WOZA) with the annual Robert F. Kennedy Human Rights Award.

President Mugabe has frequently claimed that Western sanctions are to blame for the collapse of the country's economy. He and other ZANU-PF officials often cite a U.S. law, the Zimbabwe Democracy and Economic Recovery Act (ZDERA), passed by Congress in 2001. This legislation is discussed below.

Sanctions Against Individuals

The United States has enforced targeted sanctions against top government officials and associates since 2003; these sanctions have been renewed annually by the White House. The sanctions are intended to punish those responsible for Zimbabwe's difficulties without harming the population at large. The initial sanctions, imposed in 2003, ban travel to the United States by "senior members of the government of Robert Mugabe and others ... who formulate, implement, or benefit from policies that undermine or injure Zimbabwe's democratic institutions or impede the transition to a multi-party democracy." Persons who benefit financially from business dealings with such individuals are also banned, as are the spouses of people in either group. In 2003, President George W. Bush also issued an executive order freezing assets held in the United States by more than 70 high-ranking Zimbabwe officials and President Mugabe's wife, Grace. Other individuals have been periodically added to the list of those sanctioned. The executive order also allows the Secretary of the Treasury, in consultation with the Secretary of State, to block the property of persons who "have engaged in actions or policies to undermine Zimbabwe's democratic processes or institutions," their immediate family members, and any persons assisting them. President Obama renewed the sanctions most recently in March 2011. Some, but not all, ZANU-PF members serving in inclusive government positions are among those sanctioned.

Multilateral Financing Restrictions

Congress expressed its opposition to the Zimbabwe government's "economic mismanagement" and "undemocratic policies" and called for sanctions in the Zimbabwe Democracy and Economic Recovery Act of 2001 (ZDERA; P.L. 107-99).[80] This legislation, which authorized U.S. bilateral aid for land reform and governance programs, also called for consultations with allies on economic sanctions and a travel ban. Under ZDERA, which remains in effect, U.S. support for financial assistance to Zimbabwe by international financial institutions is prohibited until the President has been able to certify that certain conditions pertaining to the rule of law, democratic elections, and legal and transparent land reform have been met.[81] At the time of ZDERA's

[79] Daily Press Briefing by State Department Spokesman Robert Wood, February 11, 2009.

[80] ZDERA cosponsors included Senators Bill Frist, Russ Feingold, Hillary Clinton, Jesse Helms, and Joseph Biden.

[81] The conditions include the following: (1) restoration of the rule of law; (2) election or pre-election conditions; (3) commitment to equitable, legal, and transparent land reform; (4) fulfillment of agreement ending war in the Democratic Republic of Congo; and (5) military and national police subordinate to civilian government. Under the terms of the Global Political Agreement between ZANU-PF and the MDC, which established the inclusive government, elections

passage, Zimbabwe was already ineligible to receive loans from the IMF and the World Bank's International Development Association (IDA) because it was in arrears to those institutions for debt payments. If the President certifies that ZDERA's conditions have been met, the legislation calls upon the Secretary of the Treasury to review the feasibility of restructuring, rescheduling, or eliminating Zimbabwe's sovereign debt held by the U.S. government and to propose similar reviews by the multilateral development banks.

Congressional Interest and Relevant Legislation

Congress has played a key role in shaping U.S. policy toward Zimbabwe for more than a decade. Both President Obama and Secretary of State Hillary Clinton introduced legislation on Zimbabwe when they were Senators, following political violence in 2007. Several Members of the 110th Congress were highly critical of the Mugabe Administration in the wake of the 2008 elections and during the ensuing post-election violence. In April 2008, the Senate passed S.Res. 533, calling for the immediate release of the presidential results, an end to the political violence and intimidation, and a peaceful transition to democratic rule. The resolution also supported calls for an international arms embargo and other targeted sanctions against the Mugabe regime. The Senate also passed another resolution, S.Res. 611, rejecting the 2008 runoff results. Both resolutions encouraged the creation of a comprehensive political and economic recovery package in the event that a democratic government were to assume power. The House of Representatives passed H.Res. 1230, condemning the 2008 violence and calling for a peaceful resolution to the political crisis. The House also passed H.Res. 1270, calling for an international arms embargo, urging the United Nations to deploy a special envoy to Zimbabwe, and encouraging the parties to discuss the creation of a unity government. Several Members called for Zimbabwe to postpone the June 2008 runoff in H.Res. 1301, and later condemned the runoff in H.Res. 1337 (neither passed). If it had passed, H.Con.Res. 387, would have called for the severing of diplomatic ties with Zimbabwe.

The 111th Congress also followed developments in Zimbabwe, monitoring the progress of the transitional government and commencing a review of existing U.S. policy toward the country. In March 2009, the House considered H.Res. 238, which declared the economic and humanitarian crisis in Zimbabwe to be a threat to international security. Following a 2009 hearing by the Senate Foreign Relations Africa Subcommittee on U.S. policy toward Zimbabwe, Subcommittee Chairman Russ Feingold called the transition a "great opportunity ... to help advance real reform and recovery," noting that while the process remained incomplete and abuses in Zimbabwe continued, "we need to seize this opportunity and look for ways that we can proactively engage and help strengthen the hands of reformers in Zimbabwe's transitional government."[82]

In May 2010, Senators Feingold, Kerry, and Isakson introduced S. 3297, the Zimbabwe Transition to Democracy and Economic Recovery Act of 2010, which aimed to "update U.S. policy and to provide the necessary direction and flexibility for the United States to proactively push for democracy and economic recovery in Zimbabwe."[83] Also in support of "democratic and economic recovery," Representative Payne introduced H.R. 5971, the Zimbabwe Renewal Act of 2010 in July 2010, which, among other items, would have authorized debt forgiveness for

are not expected to be held for at least 18 months, during which time the agreement stipulates that a constitutional review take place. Under ZDERA, a presidential certification may be made before a presidential election takes place if "the Government of Zimbabwe has sufficiently improved the pre-election environment to a degree consistent with accepted international standards for security and freedom of movement and association." ZDERA allows for a presidential waiver of the multilateral financing restriction if it is determined to be in the U.S. national interest.

[82] Statement of Senator Feingold on Zimbabwe's Transition for the Congressional Record, October 5, 2009.

[83] Statement of Senator Feingold for the Congressional Record, May 4, 2010.

Zimbabwe by U.S. government agencies. Other legislation on Zimbabwe during the 111th Congress included S. 3722, the Zimbabwe Sanctions Repeal Act of 2010, introduced by Senator James Inhofe, which would have repealed ZDERA. None of these bills were passed. Senator Inhofe reintroduced his legislation as S. 1646 in October 2011.

U.S. Assistance

The United States is one of the largest donors of humanitarian assistance to Zimbabwe, having provided roughly $1 billion in aid since 2002. In FY2008, U.S. assistance, which totaled over $325 million, included $271 million in food aid and $22 million in other humanitarian assistance, as well as over $22 million in health programs and over $10 million for democracy and governance support. Following the formation of the transitional government, President Obama pledged $73 million in new governance, education, and health assistance to Zimbabwe during his June 2009 meeting with Tsvangirai; in total, the U.S. government obligated over $292 million in foreign aid in FY2009.[84] U.S. assistance to Zimbabwe in FY2010 totaled over $168 million, including $80 million in humanitarian aid. While final FY2011 humanitarian aid figures are not yet available, other U.S. assistance totaled over $97 million. The Obama Administration has requested almost $110 million for non-humanitarian aid in FY2012, including over $70 million for health programs, $21 million for governance programs, and $16 million for economic growth initiatives. The Administration maintains that the provision of non-humanitarian assistance directly to the government remains predicated on progress toward political reforms, although the U.S. government is providing some technical assistance to reform-minded ministries and to parliament. Zimbabwe is not eligible to participate in the Millennium Challenge Account program, nor is it a focus country for the President's Emergency Plan for AIDS Relief.

Current Restrictions on U.S. Assistance

Due to loan defaults, Zimbabwe is subject to the Brooke-Alexander Act and Section 620(q) of the Foreign Assistance Act of 1961, as amended, both of which prohibit direct assistance to the government of Zimbabwe based on past due indebtedness to the United States. In addition, as discussed above, ZDERA prohibits U.S. support for loans to the government by international financial institutions. Language in annual appropriations legislation has also prohibited assistance to Zimbabwe's central government since FY2010, with the exception of health, education, and macroeconomic growth assistance, unless the Secretary of State determines and reports to Congress that "the rule of law has been restored in Zimbabwe, including respect for ownership and title to property, freedom of speech and association."

Policy Options[85]

Since the formation of the coalition government, U.S. policymakers have reexamined how to approach President Mugabe and his current administration. As mentioned above, President Obama has taken a cautious approach and made the return of effective governance a prerequisite to the lifting sanctions or the provision of significant financial support for Zimbabwe's economic

[84] The U.S. government provided over $7.3 million in FY2009 specifically to address the cholera outbreak, in addition to $8.6 million for other water and sanitation programs.

[85] There have been a number of studies conducted on policy options to reengage Zimbabwe, including, most recently, Robert I. Rotberg, *Beyond Mugabe: Preparing for Zimbabwe's Transition*, the Center for Strategic and International Studies, August 2011.

recovery. Like-minded donor countries and institutions also expect certain economic and political policy changes, including:

- the end of farm disruptions;
- the cessation of politically motivated violence;
- the establishment of a credible and transparent Reserve Bank team;
- an end to harassment and intimidation of the media and civil society; and
- a commitment to holding credible elections in a timely manner.[86]

As discussed, many of the initial economic reform conditions set by the IMF and other donors, including price liberalization, the elimination of quasi-fiscal activities, and cash budgeting, have already been met. Zimbabwe's Finance Ministry has also taken steps to meet other reform conditions, such as central bank transparency and reform, by initiating legislative reforms related to Reserve Bank governance. Credible stewardship of the Reserve Bank and a full restoration of Zimbabwe's relationship with the IMF and the World Bank will take time.

Obama Administration officials suggest that many of the necessary political conditions for renewed assistance were outlined in the GPA, and thus in Zimbabwe's own constitution. Broadly, U.S. officials expect real progress on governance and democracy, as evidenced by continued movement toward constitutional reform and free and fair elections, but they have also reiterated the importance of interim confidence-building measures such as those listed above. Three years into the current government, it appears that the parties to the GPA may have conceded as much as they are willing or able to, until the transitional nature of the current government is resolved through new elections. The timing and outcome of such an event remains unknown.

Diplomatic Pressure

Some argue that the deployment of international monitors could be influential in preventing potential violence related to the planned constitutional referendum or upcoming elections, although the Mugabe government has, in the past, reportedly denied similar delegations entry. In November 2008, the government refused to provide visas to several members of the group of world leaders known as the Elders, including Kofi Annan and former U.S. President Jimmy Carter. In October 2009, the U.N. Special Rapporteur on Torture was denied entry to Zimbabwe, despite receiving prior permission by Prime Minister Tsvangirai, according to reports. More recently, in October 2011, the Archbishop of Canterbury visited President Mugabe to discuss the grievances of Zimbabwe's Anglican clergy and the reported seizure of church property. As mentioned above, SADC is currently pushing for a very small number of regional representatives to be included in Zimbabwe's joint monitoring commission, JOMIC, to improve the entity's effectiveness and ensure its impartiality. There have been calls for members of the Mugabe government to be referred to international justice regimes, although some observers suggest such calls for justice should be considered carefully as long as the coalition government remains intact.

Economic Recovery and Development

Given the continuing level of political uncertainty that has persisted throughout the tenure of the transitional government, many donors have been reluctant to provide the level of financial support that many analysts suggest is needed to stimulate substantial economic recovery and development. Some suggest that recovery will require additional policy reforms on which the

[86] Remarks by the German Ambassador to Zimbabwe, Dr. Albrecht Conze, as referenced in "Getting Zimbabwe to Work Again," *The Zimbabwe Times*, March 29, 2009.

coalition government is unlikely to agree. The IMF forecasts that the upward trend of real GDP growth in the past three years will not continue without certain policy changes, and has repeatedly stated that Zimbabwe's current level of debt is unsustainable. World Bank and IMF lending has been suspended for over 10 years due to nonpayment of arrears. As Zimbabwe's economy collapsed over the last decade, every sector of the economy has been affected. Annual outputs of wheat, maize, and tobacco, once Zimbabwe's largest foreign exchange earner, remain below historic levels. Manufacturing output has likewise declined, and although the mining sector has recently been a source of optimism, the government acknowledges that major capital inputs are required to keep the sector on its current trajectory. These factors all contribute to pressure on both the people of Zimbabwe and members of the government.

ZANU-PF's fast track land reform program and more recent policy changes, such as the Indigenization and Economic Empowerment Act, have created significant uncertainty over property rights, deterring foreign direct investment and lowering consumer confidence. Many observers are skeptical that the MDC can counter the entrenched patronage system that currently exists, within the scope of the current government. Several policies of the previous administration, including the mass urban evictions of 2005 (Operation Murambatsvina), have had lasting repercussions for human development objectives, including access to education, according to some reports.[87] These development challenges require attention from the current government, but may also benefit from donor pressure and support.

Western donors have met periodically in recent years to explore reconstruction options, and their representatives meet regularly in Harare to coordinate existing aid programs. Britain has maintained its willingness to release funds to pay for parts of an orderly land redistribution program if Mugabe retires and the rule of law is returned. It is unclear whether Britain would concede to release such funds prior to Mugabe's departure from office. The World Bank and the IMF have also developed strategies for Zimbabwe's economic recovery. Significant donor assistance is likely to be required to rebuild the public health sector, which according to reports may have lost over 70% of its skilled workforce. The education sector faces similar challenges. Reviving the country's agriculture industry will require delicate handling to address historical grievances regarding land distribution and tenure.

Maintaining the flow of foreign currency to pay salaries is critical to ensuring stability, but MDC officials have acknowledged donor concerns. Prime Minister Tsvangirai, in his inaugural address to the parliament, warned MPs, "no donor country or institution is going to offer any meaningful assistance unless our government projects a positive new image."[88] Few governments have publicly indicated a willingness to date to provide loans or aid directly to the government.

The IMF has noted positive steps toward fiscal discipline and offered policy advice and technical assistance, but has warned that IMF lending will not be renewed until Zimbabwe begins to repay its debts and establishes a track record of sound policy implementation and donor support. In the interim, the IMF's Executive Board met in May 2009 to approve a "targeted lifting" of the Fund's suspension of technical assistance to the government. This resumption of assistance indicated that the IMF has judged Zimbabwe to be cooperating with the Fund on policies and payments toward addressing its outstanding arrears.[89] It has allowed IMF technical advisors to work with the Finance Ministry to improve its revenue collection and bank payment system, particularly to

[87] Amnesty International, *Left Behind: The Impact of Zimbabwe's Mass Forced Evictions on the Right to Education,* October 5, 2011.

[88] Inaugural Address by Prime Minister Tsvangirai to the Seventh Parliament of Zimbabwe, March 4, 2009.

[89] IMF, "Request for Targeted Lifting of the Suspension of Fund Technical Assistance," April 21, 2009.

process transactions in foreign exchange, as well as on fiduciary control of the central bank. In February 2010, with the support of the United States, the Board voted to restore Zimbabwe's voting rights, which were suspended in 2003 after a determination that Zimbabwe had not sufficiently strengthened its cooperation with the IMF in areas of policy implementation and payments.[90] Several recent studies have explored options for addressing Zimbabwe's external debt arrears and pursuing comprehensive debt relief.[91] The IMF has suggested that a Staff Monitored Program (SMP) could assist Zimbabwe in establishing a track record of sound policies that would pave the way for debt relief and access to donor funds.

The State Department's FY2009 supplemental request stated that "to be successful, Zimbabwe's transition will require a significant infusion of capital and program investment in both the short- and long-term." The department's FY2010 request included an expansion of technical assistance to the government on a range of issues, such as trade policy and legal and regulatory reforms that affect businesses, and it aims to reinforce technical assistance provided by the international financial institutions. Recent budget requests go further, proposing new activities to promote private sector development and agricultural recovery, but caution that "if the government does not make adequate progress in meeting donor benchmarks, assistance beyond the agriculture sector may not follow."

Sanctions

As the transitional government concludes its third year, foreign governments, including the United States, continue to debate the efficacy and utility of their sanctions against Zimbabwe and members of the ZANU-PF elite. Some suggest that sanctions be lifted, while others maintain that they continue to provide a useful tool to press for democratic reforms. At issue are three different types of restrictions—travel and financial restrictions targeting individuals; bilateral donor restrictions that prohibit the provision of aid directly to the Zimbabwe government; and bilateral restrictions that prevent the representatives of certain governments, namely the United States, from supporting the resumption of multilateral lending by the major international financial institutions. The first two types of restrictions remain solely at the discretion of the governments that imposed them. However, if foreign governments were to lift the third restriction, against support for IMF and World Bank lending, those banks' own policies would still be an impediment to renewed financial flows, given Zimbabwe's outstanding debt arrears. As discussed above, the IMF and other multilateral banks have stipulated that the Zimbabwe government must establish a track record of sound fiscal policy before the debt arrears question can be addressed. Donor governments may also choose to consider debt forgiveness for Zimbabwe. Given the transitional nature of Zimbabwe's current government and uncertainty surrounding the date of the country's next elections, however, some policymakers question whether such decisions should be delayed until a new, democratically elected government takes office.

[90] Find information on overdue financial obligations at http://www.imf.org/external/pubs/ft/pam/pam45/contents.htm.

[91] See, for example, Benjamin Leo and Todd Moss, *Moving Mugabe's Mountain: Zimbabwe's Path to Arrears Clearance and Debt Relief,* the Center for Global Development, November 12, 2009.

Appendix. The 2008 Elections

March 2008 Elections[92]

In 2007, after years of political tensions and a violent March 2007 assault by police on government critics that drew widespread international criticism, South Africa initiated a mediation effort between the government of Zimbabwe and the opposition to create political conditions for free and fair elections, the results of which would be accepted by all parties. Although the negotiations resulted in the amendment of some laws seen to restrict press freedom and political activity, the talks were abandoned after President Mugabe announced an election date without consulting the opposition. Human rights activists argued that the legislative changes were cosmetic and that the talks failed to create a level playing field prior to the 2008 elections.[93]

The two factions of the main opposition party, the MDC, which split in 2005, remained divided prior to the elections. Despite rumors of dissatisfaction with Mugabe's continued rule from within his own party, ZANU-PF's central committee nominated Mugabe to be their presidential candidate. The committee also supported a resolution to hold all elections (presidential, parliamentary, and local council) at the same time, and to reduce the terms for all public offices from six to five years. In addition, they voted to back efforts to increase the number of parliamentarians. Critics contend that these proposals were an effort to manipulate the electoral process through gerrymandering, with the new constituencies created in rural areas where the ruling party had stronger support.[94] The proposals were included in a controversial Constitutional Amendment Bill, which, to the surprise of many observers, was passed by the parliament in 2007 with the support of MDC Members of Parliament (MPs). The final version of the legislation, did, however, include some changes seen as concessions to the opposition, and reports suggest that the MDC supported the legislation because of progress in the South Africa negotiations.

In February 2008, a senior member of ZANU-PF, Simba Makoni, announced his intention to run against President Mugabe in the upcoming elections. He was subsequently expelled from the party and ran as an independent, although he was rumored to have the support of several unnamed senior party officials. Makoni had served as finance minister from 2000 to 2002 and was reportedly dismissed after criticizing the administration's economic policies. Opposition leader Tsvangirai dismissed Makoni as "old wine in a new bottle," but rival MDC leader Arthur Mutambara withdrew as a presidential candidate and expressed his support for Makoni.

In the pre-election period, civic activists reported significant pre-election irregularities. The Zimbabwean government invited election observers from over 40 countries and regional organizations, including SADC, but allegedly barred observers from countries considered to be critical of its policies.[95] Western media organizations and journalists were also reportedly denied permission to cover the elections.[96]

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[92] For more details on these elections, see CRS Report RL32723, *Zimbabwe: Background*, by Lauren Ploch.

[93] See, for example, Human Rights Watch (HRW), *All Over Again: Human Rights Abuses and Flawed Electoral Conditions in Zimbabwe's Coming General Elections,* Vol. 20, No. 2(A), March 2008, and International Crisis Group (ICG), Africa Report No. 138, *Zimbabwe: Prospects from a Flawed Election*, March 20, 2008.

[94] "Zimbabwe Ruling Party Accused of Manipulating Electoral Process," VOA, April 18, 2007.

[95] See "First Poll Observers in Zimbabwe," BBC, March 11, 2008.

[96] "CNN Denied Permission to Cover Elections in Zimbabwe," CNN, March 25, 2008.

Zimbabwe's first "harmonized" elections were held on March 29, 2008.[97] The Zimbabwe Electoral Commission (ZEC), widely criticized for its delayed release of the results, announced the National Assembly results four days after the election. For the first time since independence, ZANU-PF lost its majority in the National Assembly. The MDC factions won 109 seats in the 220-seat National Assembly, over ZANU-PF's 97. After a month of rising tensions, the results of the presidential race were belatedly announced on May 2. They indicated that Tsvangirai had received more votes than Mugabe, but had failed to garner the 50% needed to avoid a runoff.[98]

Although the opposition accused the government of manipulating the results and initially objected to participating in a runoff, Morgan Tsvangirai agreed to stand against President Mugabe in a second round of voting. While electoral law requires the government to hold a runoff election within 21 days of announcing the initial results, the ZEC declared that the runoff would not be held until June 27, three months after the first round. During the following weeks, reports of political violence increased dramatically, in what many critics contend was a government-orchestrated attempt to punish opposition supporters and ensure a Mugabe victory in the runoff. Several of the country's security service chiefs, including the heads of the army and the police, publicly announced that they would not recognize an electoral victory by anyone other that Mugabe.[99] Citing the high number of attacks against MDC supporters and the lack of a level playing field, Tsvangirai withdrew from the race days before the election. Despite public comments from African observer missions and a presidential statement from the United Nations Security Council arguing that conditions for a free and fair election did not exist, the government held the runoff as scheduled. Mugabe was declared the winner with over 85% of the vote and inaugurated on June 29, 2008. His electoral victory in the runoff election was declared illegitimate by several countries, including the United States and Botswana.

Had ZANU-PF Planned for a Coalition Government?

Prior to the runoff, Zimbabwe's state-controlled media sent mixed signals about the regime's post-election plans. On April 23, the government-owned *Herald* newspaper printed an editorial that suggested SADC should mediate between the parties to create a transitional coalition government, led by President Mugabe, that would organize new elections.[100] The following day the paper announced on its website that a unity government was "not feasible." According to a May 2008 International Crisis Group report, some senior ZANU-PF members, including Vice President Joyce Mujuru and Reserve Bank governor Gideon Gono, tried to convince the president to accept a unity government, but were overruled by senior security officials.[101] Central to the concerns of ZANU-PF hardliners, critics assert, are questions regarding immunity for serious human rights abuses committed since independence. Both parties issued public statements after the elections indicating a willingness to negotiate, but ZANU-PF declared that Tsvangirai must acknowledge Mugabe's victory as a prerequisite. Tsvangirai refused to do so. Some believe ZANU-PF had planned to negotiate even before the runoff, but wanted to enter the talks from a position of power, with Mugabe having won the second round.

[97] The 2008 elections were held for all levels of government simultaneously.

[98] The ZEC declared that Tsvangirai received 47.9% of the votes, Mugabe 43.2% and Makoni 8.3%. Some independent tallies, including the MDC's, suggested that Tsvangirai may have received over 50% of the votes.

[99] "Zim Prisons Chief Orders Officers to Vote Mugabe," Reuters, February 29, 2008.

[100] "West Should Stop Blocking Zimbabwe's Way Forward," *The Herald* (Harare), April 23, 2008.

[101] ICG, *Zimbabwe: Prospects from a Flawed Election,* Africa Report No. 138, March 20, 2008.

Post-Election Violence

As noted above, although observers suggest that the March 29 election day was largely peaceful, reports of politically motivated violence subsequently increased to a level not seen in two decades, according to advocacy groups. The MDC alleged that over 500 of its supporters were killed in the months after the election.[102] Then-U.S. Ambassador James McGee implicated the ruling party in orchestrating the attacks.[103]

ZANU-PF and the Zimbabwean army denied involvement with the violence, although the army; police; intelligence service; "war veterans;"[104] and Zimbabwe's National Youth Service, also known as the "Green Bombers," were all implicated. One week after the elections, self-styled war veteran leader Jabuli Sibanda warned, "It has come to our realization that the elections were used as another war front to prepare for the reinvasion of our country.... As freedom fighters, we feel compelled to repel the invasion," echoing a frequent Mugabe refrain that an opposition victory would be tantamount to the British reinstating colonial rule. The state-owned *Herald* newspaper contributed to fears of a white takeover in the wake of the election, reporting, "an increasing number of white former commercial farmers are reportedly threatening resettled black farmers throughout the country with eviction from their farms or face the wrath of an anticipated 'incoming MDC government.'"[105] These pronouncements coincided with farm invasions throughout the country, and by mid-April 2008 the Commercial Farmers Union reported that over 100 of the estimated remaining 400 white farmers had been forced off their lands. Further evictions in 2009 may have reduced the number to less than 250.

Zimbabwe's rural areas appear to have been the hardest hit by the post-election violence; the U.S. Embassy in Harare documented thousands who fled the countryside for urban areas in the months after the March elections. Most Harare medical clinics were at full capacity during the height of the violence, according to the U.S. Agency for International Development (USAID). Zimbabwe's largest farmers' union reported that militias displaced over 40,000 farm workers, and there were widespread reports of burned homes, granaries, and livestock.[106] The United Nations' resident representative in Zimbabwe stated at the time, "there is an emerging pattern of political violence inflicted mainly, but not exclusively, on suspected followers of the MDC." The level of violence was confirmed by an eight-person SADC mission: "we have seen it, there are people in hospital who said they have been tortured, you have seen pictures, you have seen pictures of houses that have been destroyed and so on."[107]

Some Zimbabwean officials, including the police chief, accused the MDC of rigging and inciting violence. More than 10 newly elected MDC legislators were arrested in the wake of the March elections. Sixteen other MDC officials and human rights activists were charged with terrorism and sabotage. Over 100 election officers were arrested on charges of committing fraud and abusing public office in favor of the MDC. Independent reports suggest that teachers, who held many of the election officer positions, were specifically targeted by government supporters.

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[102] "Zimbabwe's Former Opposition MDC Says 500 Died in 2008 Political Violence," VOA, August 9, 2009.

[103] Statement by Ambassador James McGee, "Breaking the Silence on Political Violence in Zimbabwe," May 8, 2008.

[104] Among those calling themselves "war veterans," some have questionable credentials, and some are too young to have participated in the liberation struggle. Some other veterans disagree with ZANU-PF policies.

[105] "White Former Farmers Threaten Blacks with Eviction," *The Herald*, May 7, 2008.

[106] "Hunger Drives Post-Election Violence, Deepens Poverty," UN IRIN, May 9, 2008.

[107] "Call for State of Emergency Over Zim Violence," *Mail & Guardian*, May 14, 2008.

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