

Zimbabwe in Dubious Battle

The Unexpected Consequences of Western Sanctions



Vittoria MORETTI

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Table of contents

INTRODUCTION	4
CAUSES OF INTERNATIONAL AID SUSPENSION IN ZIMBABWE	5
SUSPENSION OF INTERNATIONAL AID: THE MAIN DIRECT AND INDIRECT CONSEQUENCES.....	8
The causes of the economic mayhem	8
Isolation and fiscal indiscipline: how weak governance squandered Zimbabwe's investment capacity	10
Tackling social needs in a context of demographic growth: challenges unanswered by the Zimbabwe's government	12
Poverty trend and deteriorating living conditions: the impact of Zimbabwe's economic recession on ordinary life of Zimbabweans	14
COPING STRATEGIES OF ZANU PF: CRIMINALISATION OF THE ECONOMY AND RENT-SEEKING TO OIL THE REPRESSIVE STATE MACHINERY	17
Political rationale and economic "irrational": the monetary mismanagement of RBZ	20
HOMO HOMINI LUPUS: THE LIFE OF ORDINARY ZIMBABWEANS IN A SURVIVALIST ECONOMY	22
Emigration and remittances	22
The development of the informal survivalist economy	23
The proliferation of economic crime	25
The long walk to rebellion: challenges to social revolt in a survivalist economy	26
CONCLUSION	29
APPENDICES	30

Introduction

Speaking at the 27th edition of the World Economic Forum in South Africa, Zimbabwe's Finance Minister Patrick Chinamasa vehemently dismissed the inclusion of the country in the 2016 "Fragile States Countries Index", recalling the resilient character of Zimbabwean economy and its pivotal role at regional and global level.¹ However, such a statement might sound quite at odds with the recent move of the government to introduce livestock as loan security in response to the relentless economic meltdown the country has experienced over the past decades and to the impervious cash crisis.² The declining exports of its mineral-dependent economy due to falling commodity prices and the loss of monetary sovereignty after the dollarization of the economy in 2009, coupled with rampant corruption and economic mismanagement, have triggered an economic havoc deepening poverty in Zimbabwe.³

Yet, 94 years old President Robert Mugabe blames the West for the current woes of the country, having imposed decade-lasting sanctions on him and other ZANU PF officials, isolating Zimbabwe and reducing the amount of aid devoted to Zimbabwean citizens.⁴ On their part, however, donors have continued to pledge vast amount of money to various programs in health, agriculture, rural development and education sectors and the country has continued to benefit from the preferential access to the European Union (EU) market, despite government's official statements.

The aim of this paper is to assess how an African country deals on the long run with the decline of international aid and foreign direct investment. Distinguishing between the rulers and the ruled, this paper will examine the coping mechanisms of the regime and the population, therefore exploring the unintended effects of aid suspension on the broader social, familial and economic dynamics of Zimbabwean society. This paper is a contribution to the debate about the effectiveness of the international sanctions' system.

1. D. Musarurwa, "We're a Cog in Global Economy", *The Sunday Mail*, 7 May 2017, www.sundaymail.co.zw.

2. P. Thornycroft, "Zimbabwe Plans to Secure Bank Loans with Cows", *The Telegraph*, 12 April 2017, www.telegraph.co.uk.

3. "How Robert Mugabe Ruined Zimbabwe", *The Economist*, 26 February 2017, www.economist.com.

4. "Grave Social, Economic Problems Dim Zimbabwe's Future", *The Zimbabwean*, 1 January 2017, www.thezimbabwean.co.

Causes of International Aid Suspension in Zimbabwe

The EU decided to pull out its electoral observers and suspend development cooperation after Pierre Schori, the then head of EU's electoral mission, was expelled in February 2002 for having denounced the poor human rights record of the country.⁵ Following the brutality of the fast-track land reform in 2000 and the turmoil surrounding 2002 elections, when the government unleashed a violent crackdown on political opponents⁶, the Council of Ministers of the EU triggered Article 96 of the Cotonou Agreement, governing partnership between the EU and African-Caribbean-Pacific countries. The EU Council Decision of 18th February 2002 stated that financial support for all projects except for those in direct support to the Zimbabwean population would have been suspended, and financing would have been re-oriented around social sectors, namely health, education micro-projects and agriculture.⁷ Under the 8th European Development Fund (EDF) programme, covering the years 1995-2000, EUR 110 million had been made available to Zimbabwe: as a result of the sanctions, approximately EUR 18 million of the total amount were immediately diverted to extending or launching new projects in the social sectors, whilst no further Country Support Programme were signed for the 9th and the 10th EDF. Between 2002 and 2014, therefore, over EUR 1.5 billion of development assistance to Zimbabwe were channelled only through non-state actors such as international agencies and NGOs, whilst over EUR 128 million directed at providing support for government capacity building and policy reforms were halted.⁸ Following its usual sanctions policy, the EU aid suspension was selective and not total. The EU also imposed targeted sanctions, consisting of an embargo on arms and related material, the suspension of technical assistance and financing

5. "Zimbabwe Forces out Top EU Observer", *BBC News Africa*, 17 February 2002, <http://news.bbc.co.uk>.

6. "EU Imposes Sanctions on Zimbabwe", *The Guardian*, 18 February 2002, www.theguardian.com.

7. "Co-operation Republic of Zimbabwe and the European Community", *Joint Annual Report*, 2001-2002, <https://ec.europa.eu>.

8. Council Common Position of 18 February 2002 Concerning Restrictive Measures of Zimbabwe, 2002/145/CFSP, <http://eur-lex.europa.eu>.

related to military activities, travel bans and asset freeze on several members of ZANU PF.⁹

In 2003, following the adoption by the Zimbabwean government of the Information and Protection of Privacy Act (AIPPA), which curtailed media freedom and broadcasting licensing, the US President issued the Executive Order No. 13288, imposing further restrictions on targeted individuals.¹⁰ Furthermore, Zimbabwe was not granted eligibility for the African Growth and Opportunity Act (AGOA), a piece of legislation introduced in 2000 to facilitate access to the US markets for sub Saharan African countries. Following these events, in 2002 the Commonwealth decided to indefinitely suspend Zimbabwe's membership triggering Mugabe's decision to pull out from the organisation. Finally, the executive board of the International Monetary Fund (IMF) suspended Zimbabwe's voting rights in June 2003, as a result of the government incapacity to repay the arrears contracted with the international financial institution and halted the possibility for Zimbabwe to borrow further resources and interrupted technical assistance to the country.¹¹ The World Bank also suspended loans and programmes to support the balance of payment of Zimbabwe since 2001, due to the persistent failure in meeting arrears payments. The country was also blacklisted by its traditional donors and Western partners.

As a response to the growing political and economic isolation, since 2003 Mugabe espoused a "Look East Policy" which was meant to become the new pinnacle of its external strategy, strengthening ties with emerging countries, particularly Moscow and Beijing. This unapologetic and rhetorical anti-Western stance accompanied the quest for alternative and less politically sensitive donors. At the same time, he engaged in a sustained narrative over the far-reaching and harmful impact of sanctions, declaring the imposition of an 'economic warfare' on the country aimed at dismissing its national sovereignty and carrying disruptive effects on the population at large.¹² The Zimbabwe Reserve Bank (ZRB) accused donors to have drastically cut vital humanitarian, economic and infrastructural support, worsening the plights of the most vulnerable. The government accused donors to have exerted pressures on foreign NGOs operating in the country to limit their action to relief activities and to curtail access to funding for domestic NGOs.¹³ These accusations have been used by

9. Zimbabwe and the EU, 16 May 2016, <https://eeas.europa.eu>.

10. "Zimbabwe Sanctions Program", Office of Foreign Asset Control, US Department of the Treasury, Updated 18 December 2013, www.treasury.gov.

11. "Press Release: IMF Suspends Zimbabwe's Voting and Related Rights", IMF, 6 June 2003, www.imf.org.

12. Reserve Bank of Zimbabwe, "The Impact of Sanctions", www.rbz.co.zw.

13. *Ibid.*

Mugabe to nurture an enduring campaign against his opponents, labelling them as “pro sanctions” and undermining the interests of the nation.¹⁴ In truth, sanctions imposed by the EU and the US have been limited in scope and predominantly targeted at penalising ZANU PF officials involved in human rights abuses and predatory behaviour, restraining access to offshore credit lines and weaponry. However, the lack of sufficient transparency in the implementation mechanisms, little coordination between Western countries and flawless in the listing criteria have often reinforced grounds for ZANU PF supporters to criticise the credibility of these measures and to use them as a scapegoat for a persistent economic mismanagement and knee-jerk.

14. M. Holman, “Sanctions Have Been Counterproductive in Zimbabwe”, *The New York Times*, 19 November 2013, www.nytimes.com.

Suspension of International Aid: the Main Direct and Indirect Consequences

The causes of the economic mayhem

As a result of the imposition of sanctions and the consequent “Look East Policy” in search of all-weather friends, the government of Zimbabwe embarked in a series of misguided and daft economic choices that devastated the country’s once thriving economy. In particular, the seizing of white commercial farms with the Fast Track Land Reform in 2000 destroyed the agriculture sector, which had traditionally been the backbone of the economy, and left millions of people unemployed and dwindling business which forced many banks to close.¹⁵ The flattening of the economy had been further worsened by the fall of global commodity prices, as the mining sector has become the default sector of the economy following the collapse of large-scale agriculture after the land reform.

Flaw monetary policies by the ZRB, furthermore, injected an excessive money supply into a shrinking economy unable to absorb it, which triggered a hyperinflation spiral and a severe humanitarian crisis, with almost 7 million people in need of assistance. Massive emigration of skilled workers, especially to South Africa, further worsened the decay of medical and sanitary infrastructures and eventually spurred the Southern African government to intervene to facilitate the establishment of a government of national unity (GNU) in 2008, which, albeit short-lived, managed to stabilize the economy. During the years 2008-2013, the GDP grew from USD 1.28 billion in 2008 to a peak of USD 15.2 billion in 2013 and employment costs were maintained at approximately 60% of total revenues.¹⁶ However, after the highly contested 2013 elections, Mugabe managed to regain absolute control over the government, completing the

15. G. Kanyenze et. al., *Beyond the Enclave: Towards a Pro-Poor and Inclusive Development Strategy for Zimbabwe*, Weaver Press, 2011; G.Kanyenze, T. Kondo and J. Martens, “The Search for Sustainable Human Development in Southern Africa”, *Alternatives to neo-liberalism in Southern Africa (ANSA)*, 2006.

16. E. Cross, “The Economic and Political Crisis in Zimbabwe”, *The Zimbabwean*, 17 July 2016, www.thezimbabwean.co.

squander of the country's already meagre resources, with revenues dropping of 37% between 2013 and 2016 and a soaring domestic and external debt which reached USD 11 billion in 2016.¹⁷

However, fiscal imbalances, coupled with a persistent domestic and external debt, remain the root causes of Zimbabwe's current cash crisis. The deteriorating conditions of public finances and of a steady trade deficit have been worsened by a serious mismanagement of public funds, with the government diverting over 90% of its shrinking budget to the payment of state employees to maintain loyalties. Fiscal indiscipline and institutional weaknesses, coupled with Western-imposed restraints, have exacerbated the contraction of the economy, with GDP nose-diving and acute cash shortages, since the RBZ does not have monetary sovereignty to control the quantity of foreign reserves in circulation.¹⁸ Indeed, with the dollarisation of the economy and the consequent loss of seignorage of the ZRB, the value of Zimbabwe's exports has continued to decline. At the same time, between 2013 and 2015 the balance-of-payments deficit has registered a cumulative deficit of USD 2.5 billion, mostly funded through the issue of Treasury Bills which had become increasingly unable to attract buyers, forcing the government to find alternative sources of funding. For instance, it raided private bank accounts such as the Nostro accounts, which contained the funds to be electronically transferred between banks.¹⁹ The consequences have been the complete paralysis of the transfer system, with tight restrictions on external payments, deteriorating cash shortages and increasing pressures on business and firms unable to pay for their imports.

Furthermore, the constraints imposed by the sanctions and the suspension from accessing IMF credit have reduced the resources at disposal for a government traditionally dependent on foreign assistance, especially after the adoption of the structural adjustment programs in the 1990's.²⁰ Therefore, the curtailing of aid directed to the government and the reallocation of money to non-state actors after 2002 further stretched the already overburdened state coffers, exacerbating the deficit in the balance of payment (BOP) and rendering increasingly difficult for the country to access external credit due to the low creditworthiness of the country in international financial markets.

17. *Ibid.*

18. C. Munyati, "Zimbabwe's Liquidity Crisis: The Curse of China's Slowdown and a Strong Dollar", *The Source*, 21 April 2016, <http://source.co.zw>.

19. B. Mpofu, "Local Banks' Nostro Accounts Depleted", *Zimbabwe Independent*, 11 March 2016, www.theindependent.co.zw.

20. C. Jenkins, "The Politics of Economic Policy-Making in Zimbabwe", *The Journal of Modern African Studies*, Vol. 35, No. 4, 1997, pp. 575–602.

Since the introduction of sanctions grant inflows have declined of approximately USD 100 million per year compared to the levels of 1990s, whilst foreign direct investments (FDIs) plummeted to merely USD 20 million for the period 2000-2006 from an annual average of USD 90 million in the previous decade, which had peaked to USD 444 million in 1998.²¹ The suspension of Zimbabwe from international organisations such as IMF, indeed, contributed to the drop in FDIs, as it significantly worsened Zimbabwe's risk rating score and damaged the reputation and credibility of the country, alienating the confidence of foreign investors.²² Therefore, since the sanctions have started, Zimbabwe's soaring fiscal deficit has been systematically financed by RBZ through money creation. This practice triggered a hyperinflationary spiral that went up from 55.2% in 2000 to reach an astonishing peak of 79,600,000,000% per month inflation rate in November 2008, a situation worsened by the international financial crisis and culminated in 2009 with the abandon of the Zimbabwean dollar and the introduction of a multi-currency system dominated by the USD.²³

Isolation and fiscal indiscipline: how weak governance squandered Zimbabwe's investment capacity

In aid-dependent African countries, the international support usually provides the investment capacity (both financial and technical) that is lacking in government. Zimbabwe was no exception. Therefore, the declining budgetary support from donors reduced the capacity of Zimbabwean government to maintain investments which had been initiated prior to the sanctions thanks to the assistance of international and bilateral development agencies.

The RBZ reports the that suspension of the Danish International Agency (DANIDA) Agricultural Support Programme, for instance, undermined the capacity of the state to develop irrigation schemes and provide adequate support to small farm holders, while the withdrawal of USD 15 million funds from the Swedish government drastically reduced the resources at government disposal for completing roads rehabilitation and small scale roads contractors projects.²⁴ With a road density of about

21. See supra 12.

22. I. Von Borzyskowski and F. Vabulas, "The Consequences of Membership Suspension from International Organizations", Annual conference of the American Political Science Association, November 2016.

23. S. H. Hanke, "R.I.P. Zimbabwe Dollar", The Cato Institute, www.cato.org.

24. *Ibid.*

0.23 km per square km and 17,400 km of primary roads, Zimbabwe used to have a paved network comparable to that of middle and of high income countries.²⁵ However the drying up of state resources and the bad management of the Zimbabwe National Roads Administration (ZINARA), the parastatal organisation responsible for the maintenance of the road network, have led to a road network almost completely dilapidated. A “state of disaster” has been recently declared in Harare due to the deplorable conditions and gaping potholes on roads, but citizens are left to pay for and repair abandoned infrastructures themselves as state coffers are empty.²⁶

However, although massive slump in FDIs, external budgetary support and exports are one of the explanatory factors to account for steadily declining revenues, Zimbabwe’s shipwreck could have not happened without a gross economic mismanagement, dissipating the few resources available through unsustainable expenditures. In 2016 the country spent 89% of its total revenues to cover employment costs, which means that only a meagre 11% remained available to invest.

The allocation of the 2017 National Budget is particularly revealing in this regard: in light of forthcoming elections in 2018, the government has unsurprisingly devoted a big chunk of the total budget (8.9%) to the Home Affairs department, which includes the Office of the President, and to the Ministry of Defence (8.3%), meaning that the national army and police forces will be privileged over many other sectors to provide them with sufficient resources to maintain order and security.

The incapacity of the government to effectively collect and manage public resources for productive investments is undoubtedly also a result of weak governance practices in the public sector. The latest report of the Auditor General of 2016 for State Enterprises and Parastatals shows a worrisome trend of non-compliance by many state authorities with statutory and board requirements, with lack of due diligence in procurement of services and goods, financial misstatements and benefits given to parastatal workers outside the payroll and thus not subject to taxation.²⁷ For instance, the Minerals Marketing Corporation of Zimbabwe (MMCZ) has been reported to have paid USD 25,228 to board members between December 2013 to December 2015 even though there was no fully constituted board since 2013.²⁸ Again, the Civil Aviation Authority has

25. Report on Road Transport Services and Infrastructure, African Development Bank, 2009.

26. “Potholes a State of Emergency”, *NewsDay*, 25 January 2017, www.newsday.co.zw.

27. Office of the General Auditor Report for State Enterprises and Parastatals, 2016, <https://africafightnow.org.files.wordpress.com>.

28. *Ibid.*

been dispensed holidays and clothing and other allowances for managers well beyond what established in their contracts, resulting in huge loss of revenues due to non compliance with financial and tax regulations. Public outcry with regard to misuse of state resources reached a peak last February 2016, when the same President Mugabe announced the “loss” of USD 15 billion of revenues that should have derived from Zimbabwe’s diamond reserves, of which only USD 2 billion have eventually entered the state coffers.²⁹

Tackling social needs in a context of demographic growth: challenges unanswered by the Zimbabwe’s government

Like many other Sub Saharan African contexts, Zimbabwe is a youthful country, with more than 50% of its population aged under 30 and an annual population growth rate of approximately 3% which forecasts a population boom peaking up to 23 million by 2030.³⁰

Estimates by UNICEF predict approximately USD 45 million needed to tackle critical gaps in education, healthcare and employment sectors.³¹ In a context where more than 70% of the population lives in poverty and with limited access to social services, the state should invest wisely and thoroughly into the education sector. Youth related policies and public services provisions appear even more urgent in light of the recent urbanization trends which see growing number of young Zimbabweans, mostly young males over 15 years old, moving from rural areas to the main cities in search of economic opportunities, as research show that children growing up in rural households are four times more likely to remain in extreme poverty conditions compared to their urban counterparts.³² However, since the beginning of the crisis in the early 2000 the budget for education has continued to shrink and has been drastically cut from levels over 15% GDP in 2005 to approximately 6% GDP for the fiscal year 2017, the vast majority of which, as observed before, is deemed to cover employment costs instead of improving facilities and accessibility of

29. A. Magaisa, “Mugabe and the USD 15 Billion Question”, *The Standard*, 14 March 2016, www.thestandard.co.zw.

30. R. Nyamanhindi, “Experts and youth share experiences on the youth situation in Zimbabwe”, UNICEF, www.unicef.org.

31. S. Mhofu, “Zimbabwe Needs \$45 Million to Address Youth Problems”, *Voice of America*, 11 August 2016, www.voanews.com.

32. *Inequality and Inequity in Zimbabwe Trends (2009-2014)*, ZIMSTAT Report, 2015.

services. In such a situation, as the ZIMSTAT inequality survey of 2015 illustrates, the majority of poor households is increasingly deprived of schooling opportunities and remains trapped in the poorest wealth quintile.

With regards to the health sector, the picture reveals similar worrisome trends: per capita health allocation for 2016 has been USD 21, an amount which is grossly inadequate to the needs of Zimbabweans and which remain far lower than the SADC average of USD 146 for inhabitant.³³ The main health facilities in the country have faced persistent drug shortages and many referral hospitals have been forced to suspend surgeries due to the lack of anaesthetic, painkillers and other essential drugs.³⁴ The health-care system is decimated and health infrastructures are abysmal, with patients and their relatives forced to bring their own water supplies, hygiene and sanitary conditions of structures grossly inadequate and insufficient treatments provided, as medical and administrative personnel are often not timely and adequately paid and hence reluctant to perform their jobs. Under these circumstances, a growing number of families are unable to access essential medical services: the 2015 Zimbabwe Demographic and Health Survey shows that 11 million Zimbabweans, (89% of female population and 88% of male population) have no access to medical aid, as the country has no national health insurance system and many ordinary people do not have the resources to afford private medical care. Maternal mortality rates are much higher than in the past (651 maternal deaths per 100,000 lives compared to 90 in the 1980s) as the poorly equipped and understaffed health facilities are generally unable to offer adequate maternal and child care.³⁵

The already precarious situation of the national healthcare system went from the frying pan to the fire in February 2017, when doctors from the major referral hospitals in Harare and Bulawayo launched a three-weeks long strike to protest against poor working conditions, demanding higher call allowances, duty free car facilities and higher employment guarantees for junior doctors.³⁶ The stay-away increased pressures on public health facilities already strained by drug shortages and lack of government funding, with harmful impact on daily service delivery, particularly the pediatric and maternal sections, to the extent that military health personnel has eventually been deployed in an attempt to cope with

33. *Zimbabwe 2016 Health and Childcare budget Brief*, UNICEF, 2016, www.unicef.org.

34. "Essential drugs shortage looms" *NewsDay Zimbabwe*, 14 January 2017, www.newsday.co.zw.

35. *Zimbabwe Demographic and Health Survey of 2015*, ZIMSTAT Report, 2015.

36. "Zimbabwe Nurses Join Doctors in a Strike over Pay and Bonuses", *BBC News*, 1 March 2017, www.bbc.com.

the emergency situation.³⁷ Eventually the doctors decided to end the strike after three weeks even though the negotiations with the ruling party brought little or no achievements to the health professionals, but due to the deteriorating conditions of patients left without care. Ironically, on those same days President Mugabe came back from Singapore where he regularly goes to receive medical treatment, an habit which is not unknown to many other African strongmen and which speaks volume over the detachment of rulers from the plights of their citizens.

Poverty trend and deteriorating living conditions: the impact of Zimbabwe's economic recession on ordinary life of Zimbabweans

The consequences of this acute recession have been heavily felt by Zimbabweans, hit by increasing unemployment, declining incomes and erosion of public service provisions. The budget for social expenditures, indeed, dropped from 15% of GDP in 2005 to a mere 6% in 2009, leaving schools, hospitals and public facilities utterly compromised.³⁸ In 2016 social sectors were allocated a combined 33% of GDP (for a total of USD 1.35 billion), a significantly smaller amount of funding compared to the SADC average of above 45%.³⁹ At the same time, the possibility for Zimbabwe to boost its social spending by seeking assistance under the Highly Indebted and Poor Countries (HIPC) Initiative of the IMF and World Bank remains out of reach, as the country has not been able yet to clear the arrears owed to international financial institutions.⁴⁰ Shrinking agricultural output and reduced import capacity, coupled with persistent droughts, have dramatically reduced food availability. Wheat production has dropped from over 300 metric ton in the late 1990's to a mere 24 metric ton in 2014.⁴¹ The Zimbabwe Humanitarian Situation Report for 2016 of the UN Office for the Coordination of Humanitarian Affairs (UNOCHA) attests that out of approximately 14 million Zimbabweans representing the total population, almost 3 million people are food

37. "Zimbabwe Deploys Army at Hospitals after Doctors' Strike", *Reuters*, 22 February 2017, www.reuters.com.

38. "Challenges in Financing Education, Health and Social Protection Expenditures in Zimbabwe", Zimbabwe Public Expenditure Note, Poverty Reduction and Economic Management Unit, Africa Region, Report No. 3, 2 February 2011, documents.worldbank.org.

39. "Zimbabwe 2016, National Budget Brief: An Overview Analysis", UNICEF, www.unicef.org.

40. The 2017 Budget Statement Presented to the National Assembly, Ministry of Finance and Economic Development, 8 December 2016, Parliament Budget Office, www.parlzim.gov.zw.

41. The 2017 National Budget Statement Presented to the Parliament of Zimbabwe, Minister of Finance and Economic Development, 8 December 2016, www.financialgazette.co.zw.

insecure nationwide and an additional 1.3 million are at risk of slipping into food insecurity over the coming years.⁴² Recent analysis carried out by the national statistic institute, ZIMSTAT, confirm an upwards poverty trend, with more than 70% people living in deprivation, a percentage which peak to 87% in Matabeleland North Province, an area in the north Western region of the country mercilessly plagued by droughts and water shortages.⁴³ According to the ZIMSTAT Poverty and Poverty Datum Analysis done in 2013: between 1995 and 2001 the poverty rate dropped from 75.5% to 70.9%, then rose at the beginning of the 21st century reaching a percentage of 72,3% in 2011.⁴⁴

Poverty and deprivation have equally flared in urban areas, as government has persistently failed to pay civil servants on time due to dwindling revenues and a skyrocketing domestic and external debt of USD 11.2 billion. Businesses continue to close down due to low capacity utilisation, cash challenges and shrinking demand, as 95% of Zimbabweans are officially unemployed.⁴⁵ Such astonishing data suggest that almost the totality of Zimbabwean workforce, regardless of the level of educational attainment, is forced to venture into informal economic activities such as petty trade, unregistered business and small scale mining. They normally operate outside any form of regulation and taxation, and therefore with little or no social benefits, difficult access to labour protection mechanisms and declining bargaining capacity due to the lack of adequate organisational structures. Whilst reducing the capacity of the country to generate wealth through specialisation of labour and scales economies, the rampant informalisation of Zimbabwean economy presents many worrisome consequences. It further erodes the taxpayer base, consequently undermining the already scant government's capacity to provide good and services, leaving citizens forced to recur to unaffordable private facilities or to traditional, unlicensed organisations. This poses undeniable problems in terms of quality and safety of the services offered, for instance in the case of health and educational structures negatively affecting the overall social well-being.

Moreover, the chronic recession of the economy carries alarming implications in terms of school enrolment and sexual and reproductive health for Zimbabwe's youth (people aged 10-24), which represents the 33% of Zimbabwean population and to whom sexually transmissible

42. "Humanitarian Needs Overview", UNOCHA, Zimbabwe, 2016.

43. "Zimbabwe Demography and Health Survey", Zimbabwe National Statistic Agency (ZIMSTAT) Report, 2015.

44. "Poverty And Poverty Datum Analysis in Zimbabwe 2011-2012", ZIMSTAT, April 2013, www.zimstat.co.zw.

45. CIA World Factbook, Zimbabwe, 2017, zimbabwe.opendataforafrica.org.

diseases, scarce access to education and lack of jobs create persistent economic and social barriers. It represents a serious backward step for a country which, over the past decades, has enjoyed one of the highest literacy rates in sub Saharan Africa and which had persistently undertaken significant efforts to tackle preventable diseases such as HIV, whose rate nonetheless remains among the highest in the world. Currently, due to the massive accretion of poverty levels, school dropout rates are soaring, as parents cannot afford to pay school fees and mothers often bring children to work with them in mining sites or informal markets. A 2014 survey published by ZIMSTAT shows a steady growth in early marriages with over 32.9% of women marrying before 18, accompanied by a surge of child pregnancies in rural areas.⁴⁶ A related consequence is the massive rise of commercial sex by many young women who cannot afford university or accommodation fees. Polygamous practices and risky sexual behaviour of young female searching for older benefactors, commonly called ‘sugar daddies’, in exchange of financial support has unsurprisingly resulted in a dramatic rise in HIV rates, with 47% of University of Zimbabwe students turned positives to medical tests.⁴⁷

Despite the undeniable impact of the shrinking external economic support and cash inflows following the suspension of financial cooperation with Mugabe’s government by the West, it would be misleading to assume that the deplorable conditions of the Zimbabwean economy are the inescapable outcome of US and EU sanctions. The measures introduced in response to the breakdown of the rule of law and democracy may have indirectly caused hardship on Zimbabwe’s most vulnerable population because of the overarching reduction of state budget. However, the underlying causes of the severe crisis the country is experiencing are ultimately attributable to the bad governance of Mugabe’s ZANU PF, through erratic and inappropriate government policies, such as the land reform and indigenisation process, rampant corruption, misuse of natural resources and misplaced priorities.

46. Zimbabwe Multiple Indicator Cluster Survey, ZIMSTAT, 2014.

47. E. Mukwati, “47 percent of UZ Students HIV+”, *The Chronicle*, 20 May 2016, www.chronicle.co.zw.

Coping Strategies of ZANU PF: Criminalisation of the Economy and Rent-seeking to oil the Repressive State Machinery

After the US labelled Zimbabwe one of the ‘outposts of tyranny’ in 2000 and echoed EU’s hard-line stance, Mugabe, eager to reassert the country’s role at international level and regain legitimacy at home, turned East, strengthening ties with non-traditional donors such as China, and other fast-growing economies and exploiting these countries’ appetite for Zimbabwe’s enormous natural wealth.⁴⁸ Indeed, whilst neopatrimonial practices are not by any mean an exclusive feature of African countries, they have nonetheless been the norm of African post-colonial politics and the misuse of state resources, particularly revenues deriving from natural resource extraction, has usually been the main gateway to political power and dispensation of offices.⁴⁹

In Zimbabwe the neopatrimonial management of state resources has further been exacerbated over the past two decades. This has been on one side the logical consequence of the “Look East Policy”, as export of raw material (primarily gems, precious metals, raw tobacco, iron and steel, raw sugar) has become the predominant commercial activity between the country and its new economic partners and, on the other, the outcome of the land reform and the consequent destruction of the farming sector.⁵⁰ Undoubtedly, the revenues coming from the mining sector have kept the government afloat when global commodity prices were high, but as base metal market prices have begun to decline, the government budget has abruptly deflated. The scandalous celebrations for Mugabe’s 93rd birthday, which were held in February 2017 in Bulawayo, sadly epitomises such

48. J. Youde, “Why Look East? Zimbabwean Foreign Policy and China”, *Africa Today*, No. 3, 2007.

49. M. Bratton and N. van de Walle, “Neopatrimonial Rule in Africa”, in (eds.) M. Bratton, and N. van de Walle, *Democratic Experiments in Africa: Regime Transitions in Comparative Perspective*, Cambridge, Cambridge University Press, 1997.

50. “Zimbabwe Exports”, The Observatory of Economic Complexity, <http://atlas.media.mit.edu>.

reality: hundreds of thousands dollars had been spent on a week-long histrionic party recalling Petronius' Trimalchio dinner and including a 93 kg (one for each year of the President) weighted African-shaped cake, whilst the Zimbabweans suffer daily food and water shortages.

Wrapped in the nationalistic and pan-Africanist discourses emphasising Zimbabwe's national sovereignty, the *modus operandi* of ZANU PF has therefore been that of cultivating solid relations with foreign powers allowing them to tap into the massive Zimbabwe's mineral deposits. Already in 2006, for instance, China injected in the troubled Zimbabwean economy over USD 800 millions investing in the construction of coal mines and thermal power station to relief domestic factories and households exhausted by frequent power cuts.⁵¹ The formula has been always the same: mining and energy deals have been sealed at extremely favourable conditions, allowing Chinese and other foreign firms to pay little or no taxes or to benefit from tax holidays for a certain number of years, for instance in the coal-rich area of Hwange, where Beijing has undertaken the construction of two power plants.⁵² The problem, however, arises when the tax-exemption period expires: most of the time, before starting to declare profits and thus paying the correspondent amount of taxes, foreign companies suddenly shut down their operations and move to another mining site. For instance in Mutoko, where black granite is mined, or in the Great Dyke chrome-rich province, many firms have abruptly closed their operations after opaque "exploration missions" lasted for many years, without undertaking any environmental rehabilitation activity and leaving unsecured open pits which continue to pose serious threats to humans and livestock.⁵³ Villagers remain with nothing left but degraded lands and dying cattle due to the toxic wastes injected into soil and waterways. Chinese firms, in addition, have been often exempted by the controversial Indigenisation Policy (which was supposed to promote the ownership of black Zimbabweans in the mining sector ensuring that the 50% of shares belong to indigenous people) and by the nationalisation process, in order to keep attracting Chinese business in the country.⁵⁴ The government offered Chinese and Russian companies shady mining deals or created joint ventures between private foreign firms, state-owned

51. A. Meldrum and J. Watts, "China Deal Gives Zimbabwe £700m Boost", *The Guardian*, 15 June 2006, www.theguardian.com.

52. "Zimbabwe Set for Huge Chinese Investment", *The Citizen*, 2 December 2015, <https://citizen.co.za>.

53. Testimonies gathered through semi-structured interviews by the author during several Participatory Action Research Workshops conducted by Centre for Natural Resource Governance, a Zimbabwean research and advocacy NGO, during the period between July and September 2016.

54. S. Ramani, "Zimbabwe: China's 'All-Weather' Friend in Africa", *The Diplomat*, 11 January 2016, <https://thediplomat.com>.

corporations and other ZANU PF controlled entities, which allowed members of cabinet and party officials to accrue enormous gains.

The case of Chinese diamond firm Anjin and the Russian DZT-OGEO are illustrative: 40% of the Chinese Anjin Investment is owned by a Zimbabwean army subsidiary company (Zimbabwe Defence Industry) which is under direct control of the Ministry of Defence.⁵⁵ Again, the board of trustees of the Development Trust of Zimbabwe (DZT), who owns a substantial share of the Russian DTZ-OGEO is appointed by ruling ZANU PF. The conflation of the regime and foreign business in the only remaining active sector of Zimbabwe's economy, the extractive industry, have thus revealed a source of low hanging fruits for the government to make up for the growing isolation imposed by West. The rents coming from mining, amounting to dozens of USD billions, have allowed ZANU PF members to bypass financial restrictions and to secure the necessary resources to nourish the security apparatus and to maintain the repressive machinery to curb down mounting social protests.

However, the recent scramble for Mugabe's succession between the opposing Team Lacoste and G40 factions, and the deepening economic crisis seem to have beclouded the decade-long alliance with Beijing. Worried for the massive investments at stake in the country, Chinese president Xi Jinping has gradually positioned himself in support for Vice President Mnangagwa, who has received military training in China and is considered to be the safer option to safeguard Chinese economic interests in Zimbabwe.⁵⁶ The internecine succession fights within ZANU PF have shaken Chinese mining in the diamond sector: accusing Anjin to have stolen USD 15 billion of revenues which should have been derived from mining activities, last February 2017 the government has abruptly forced several Chinese diamond firms operating in the Chiadzwa diamond fields in the east of the country to close down.⁵⁷ At a deeper look, however, the closure of Anjin was meant to cut off a conspicuous source of funding for the Vice President in his presidential bid. Indeed, the company is partly owned by the Zimbabwean National Army and therefore under the indirect control of Mnangagwa, who was Ministry of Defence at the time when the deal between Beijing and the army was concluded and who, still today, maintains a considerable influence and support among the military

55. P. Mhlanga and M. Mkudu, "Zimbabwe: Government Excludes Russian Firm from Diamond Merger", *AllAfrica*, 7 January 2016, <http://allafrica.com>.

56. "China Orders Mugabe to let Mnangagwa Takeover in 3 Months", *ZimNews*, <https://zimnews.net>.

57. N. Bhebhe, "Zimbabwe: \$15bn Diamond heist by Chinese Company could hurt Relations", *Theafricareport.com*, 7 March 2016, www.theafricareport.com.

cadres.⁵⁸ However, despite having maintained a hard stance demanding a quick solution to the succession issue, in September 2016 the Chinese have eventually agreed on a USD 5 billion financial rescue package to revive the suffering agricultural sector and to mitigate, as much as possible, the disastrous economic legacy in view of a post Mugabe scenario.⁵⁹

Political rationale and economic “irrational”: the monetary mismanagement of RBZ

At the same time, to ease the liquidity constraints, in November 2016 the RBZ introduced the so-called “bond notes”, a non-convertible surrogate currency, pegged 1:1 to the USD to be used as legal tender within the country and backed by USD 200 million from the African Export Import Bank, a pan African financial institution established in 1993 with the aim to facilitate and expand African internal and external trade with a branch in Harare.⁶⁰ The injection of bond notes has been the main “exit” strategy adopted by the government to cope with the acute liquidity shortages despite its little economic rationale: in the short run, it allowed shops to refill their stocks exchanging the bond notes received by customers with USD held by the RBZ to pay foreign suppliers. However, the pseudo currency eventually worsened the cash crunch, sparking growing financial anxiety in citizens and investors, driving the USD left out of the market and fuelling a parallel economy where bond notes are rapidly devaluing against the dollars.

Unsurprisingly, iron fists and systematic repression of political opponents remain commonplace, as the country continues its economic free-fall and popular dissent grow. Since June 2016, the country has witnessed an unprecedented wave of protests and riots which have been brutally curbed by the police whilst in September 2016 a ban on popular demonstrations has been introduced despite the resistance of Harare High Court.⁶¹ Intimidatory and repressive practices include the passing of a Bill warning over the abuses of social media for “subversive” aims and the ban

58. O. Gagare and H. Moyo, “Succession Rocks Diamond Mining”, *The Zimbabwe Independent*, 18 March 2016, www.theindependent.co.zw.

59. O. Gagare, “China Shells out US\$5bn for Zim”, *The Zimbabwe Independent*, 16 September 2016, www.theindependent.co.zw.

60. Cf. Africa Export-Import Bank website, <https://afreximbank.com>.

61. E. Mushava and O. Manayiti, “Govt Bans all Demos”, *NewsDays Zimbabwe*, 2 September 2016, www.newsday.co.zw.

on the sale of national flag in response to the nationwide mobilisation around the *#ThisFlag* campaign led by Pastor Evan Mawarire.⁶²

62. C. Aucoin, "Can Zimbabwe's *#ThisFlag* movement lead to real political change?", *ISS Africa*, <https://issafrica.org>.

Homo Homini Lupus: the Life of Ordinary Zimbabweans in a Survivalist Economy

For a country which used to be, in the aftermath of its independence, among the fastest growing economies of Sub Saharan Africa, with an average GDP growth rate of 5.5% during the period 1980-1990⁶³, the precipitous fall down to the bottom line of world poor, with an annual GDP per capita of barely USD 814 dollars in 2015 and a GDP growth rate down from +1.2% in 2014 to -2.8% in 2016, is the first port of call with regards to the quality of life of its population.⁶⁴ Massive impoverishment has heavily hit Zimbabwean families due to the free-falling employment and shrinking social safety nets – the meagre 6.2% of the population who receives a pension is the lowest worldwide often with as little as USD 40 yearly⁶⁵ – and people are increasingly forced to implement survivalist strategies in order to “bring food to the table”.

Emigration and remittances

Survival or forced migration to neighbouring countries, mostly Botswana and South Africa, has been for long another strategy to cope with the consequences of economic fragility: official figures published by organisations such as IOM and UNICEF estimate that approximately 500,000 Zimbabweans were living abroad in 2013.⁶⁶ However, the data available are unreliable and give only a skewed figure of the real picture, as they do not take into account the massive presence of unregistered migrants which, according to many estimates, seems to have peaked up to 3 million⁶⁷, with ever increasing numbers of Zimbabweans slipping to South Africa daily. The massive influx of Zimbabweans in neighbouring

63. Zimbabwe Report, Chapter 1, “From Stagnation to Economic Recovery”, African Development Bank, www.afdb.org.

64. “The 30 Poorest Countries in the World”, *UK Business Insider*, 7 March 2017, www.businessinsider.fr and CIA World Factbook, Zimbabwe, www.cia.gov.

65. “Pensioners Live in Abject Poverty”, *NewsDay Zimbabwe*, 20 September 2016, www.newsday.co.zw.

66. “So Where are Zimbabweans Going?”, 8 November 2005, *BBC News*, <http://news.bbc.co.uk>; Migration Profiles, Zimbabwe, UNICEF, 2013, <https://esa.un.org>.

67. “How many Zimbabweans in SA?”, *News24*, 23 June 2009, www.news24.com.

countries has given rise to repetitive xenophobic attacks and episodes of violence especially in South Africa, as Zimbabweans are generally more educated and highly skilled workers and they are hence perceived as a threat driving jobs away from South Africans. In 2008 indeed a wave of violence flared across many South African cities against African immigrants, especially from Zimbabwe and Somalia, who had sought job opportunities and refuge in the richest neighbour.⁶⁸ Again, anti-foreigners and xenophobic episodes have occurred repeatedly over the past months as a result of the escalating influx of migrants, with brutal anti-immigrants unrests spurring hundreds of Zimbabwean migrants to flee the country.

Due to the important community of Zimbabweans abroad, families have traditionally relied on remittances from diaspora living in the UK, Canada, Australia, South Africa etc as additional source of income. A migration remittances survey conducted in 2009 shows that, on average, a migrant send home approximately 215 USD annually.⁶⁹ Remittances have thus constituted an important source of liquidity for the economy, becoming the second largest source of cash inflows, constituting approximately the 30% of the total external inflows and peaking up to USD 935 million dollars in 2015.⁷⁰ However, over the past years money from diaspora communities has been growingly sent back through informal channels, arguably as a way to bypass the constraints to access cash through formal banking institutions for Zimbabweans; therefore, it is increasingly difficult to know the exact magnitude of money entering Zimbabwe through diaspora. Furthermore, the increasing frustration of Zimbabweans resulting from the current economic mayhem have affected familial dynamics inducing behaviours at odds with the deeply rooted sense of commonality and familiar cohesion; the extremely harsh living conditions spur indeed growing number of migrants to cut connections with their families precisely because of the growing pressures to send back their earnings.

The development of the informal survivalist economy

A mounting number of Zimbabweans make their living in the streets through menial jobs, petty trade and begging, with trivial earnings. Whilst incomes decline, food in supermarkets becomes unaffordable and prices

68. "Violence in South Africa spreads to Cape Town", *The Guardian*, 23 May 2008, www.theguardian.com.

69. J. Tambama, *The Impact of Remittances on Zimbabwean Economic Development*, Master's Thesis, University of Zimbabwe, 2011.

70. See supra 41.

remain shockingly high due to the high levels of imported products and to the exchange rates between neighbouring currencies and the USD. Therefore, people increasingly turn to black markets offering counterfeit, stolen and smuggled goods at much lower prices. The whole economy of the country has shifted on the streets: even in the traditionally residential and well-off neighbourhoods, a growing number of people are sitting on the side of the street, with tiny stalls or desks selling candies, snacks or other small gadgets, striving to put together a few dollars a day. Moreover, as tourism in the country dwindles and hotel rooms remain empty, the business of informal “lodges” has become a flourishing activity to earn a little extra money: more and more families convert their main house in lodges hosting visitors and tourists at affordable rates. The same happens within the transport sector: as less and less people can afford a car and public transports are insufficient in number and in deplorable conditions, almost everyone who owns a car enters the transport business as to make up for the lack of other job opportunities.

Alternatives forms of payment, such as barter, are increasingly used to cope with the lack of cash: for instance, as parents are not able to pay their tuition fees anymore, schools are accepting livestock or maintenance work to allow their pupils to enrol in schools.⁷¹ Some firms have come up with questionable alternative ways of paying their workers: the coal mining giant Hwange Colliery Company, for instance, which has failed to pay its employees for the past three years, has eventually started giving bricks as salary, in order for them to sell the building material and eke out a living.⁷² In other wards in Hwange, instead, the company is “paying” its workers by allowing them and their family to live in deplorable and sub-standards housing units instead of giving them money.⁷³

The economic downturn and the misallocation of public funds have brought the social provision system on its knees, with disastrous consequences for the lives of millions of Zimbabweans. For instance, as the health sector collapse, Zimbabweans increasingly turn to alternative and less controlled health-delivery practices, often provided by untrained traditional and religious leaders or dubious peddlers offering cheap drugs and selling miraculous herbs on the streets.⁷⁴ Together with counterfeit

71. “Zimbabwe schools accept goats for tuition fees”, *BBC News*, 19 April 2017, available at: www.bbc.com.

72. “Hwange Colliery Workers Get Bricks as Salary”, *Chronicle*, 16 February 2017, www.chronicle.co.zw.

73. Testimonies I have gathered during my visit in several mining wards in Hwange in July 2017. Many families have been allowed to live in small and inadequate houses in terrible conditions and they told us how the company has let them stay “for free” as a way of compensating the failure in paying their salary over the past 3 to 4 years.

74. R. Seah “As Zimbabwean Healthcare Fails, People Turn to ‘Street Medicine’”, *Mims*, 3 December 2016, <http://today.mims.com>.

medicines or drugs from dubious origin, these street doctors often provided desperate Zimbabweans with plants and seeds at competitive prices, often with serious consequences for unaware buyers. Again, in many rural areas women greatly suffer the consequences of this socio-economic recession: according to the most recent Zimbabwe Demographic Health Survey (ZDHS) released in 2017, more than 20% of Zimbabwean women still give birth at home as they cannot afford the USD 50 delivery charges demanded by hospitals. A rural hospital was reported to even charge additional USD 5 for the soon-to-be mothers if they scream while giving birth with the excuse of “rising false alarm” but in reality to make profit out of their patients.⁷⁵

The proliferation of economic crime

As the economy sinks and increasing number of Zimbabweans are left in dire straits, loan sharks and financial brokers surf the crisis through micro lending practices. Informal traders lend money at less stringent requirements than banks and accept any kind of movable assets (such as sofas, fridges, electronic devices, etc.) as loan collateral, making easy pickings by exploiting desperate small scale entrepreneurs striving to rent a stall or university student who cannot pay their university fees. At the same time, along the porous borders with Mozambique, South Africa and Botswana, smuggling of several kinds of goods, especially clothing and shoes, alcohol, fuel and precious ores extracted by small scale miners has become a commonplace activity to eke out a living for many jobless Zimbabweans.⁷⁶ Customs authorities have intensified controls with little or counterproductive results: policemen and army officers have frequently been involved in illicit trafficking, helping cross-border traders to smuggle goods inside Zimbabwe, especially after the banning of the import of many products in an effort to boost domestic production.⁷⁷ Furthermore, as the government is cash strapped and struggles to pay its workers, not least policemen, extortions and increasing bribery by law enforcement officials are on the rise. Along the main roads of the capital, driving from residential areas to Harare Central, road posts are at every step and people are stopped and fined often without having committed any offence, forced to give away a few dollars out of police harassment.

75. M. Fisher, “A Hospital in Zimbabwe Charged Women \$5 for each Scream during Childbirth”, *The Washington Post*, 11 July 2013, www.washingtonpost.com.

76. K. Matimaire, “Smuggling Escalates on Mozambique Border”, *The Financial Gazette*, 1 December 2016, www.financialgazette.co.zw.

77. O. Manayiti, “Smuggling Cops busted after Exposé”, *The Standard*, 11 December 2016, www.thestandard.co.zw.

Moreover, illegal panning continues to remain the most important “survival” activity for many villagers living in the gold rich Manicaland provinces, mostly Penhalonga. The alluvial character of gold deposits render the extraction of the precious ore easily accessible to ordinary people without highly technical machineries and equipment, to the extent that growing numbers of women, desperate to feed their families, are tapping into the small-scale mining business, an activity traditionally reserved to men, not lastly due to the hostile working environment in the mining field.⁷⁸ Estimates account that over the 40% of gold is mined by small-scale miners, often illegally because of the cumbersome and highly expensive administrative practices to obtain a mining licence. However, over USD 200 million worth of gold are smuggled every year outside the country, to the neighbouring Mozambique and South Africa, by illegal panners and dealers seeking to scrap a better living. In such a deteriorating economy, the battle of the bottom-feeders often see dealers, smuggling gold, fuel and other goods along the main roads connecting Mutare with the Mozambican border, attacked by police officers trying to put their hands over the precious spoils and get their share of crumbs in the black market.

The long walk to rebellion: challenges to social revolt in a survivalist economy

The economic hardship Zimbabweans have been faced over the past years have galvanised popular dissent and grievances, spurring an unprecedented wave of protests throughout the whole 2016 and calling for President Mugabe to step down. Particularly noteworthy has been the online movement launched by Pastor Evan Mawarire, a father concerned with the rising school fees he could not afford to pay anymore for his children. Wrapped in the national Zimbabwean flag and recording itself on YouTube, in July 2016 called a nationwide strike and asked for prompt and effective economic reforms.⁷⁹ The success of his hashtag *#This Flag* was tremendous, with strikes and protests quickly flaring in the main Zimbabwean cities and gathering thousands of followers across the whole country, to the extent that Mawarire was immediately charged with treason and forced to flee in the US. Returned to Harare in February 2017, he was arrested again and was eventually freed on bail. Other political movements, such as the Tajamuka/Sesijikile (“We Refuse” in Shona and Ndebele

78. K. Matimire, “Zimbabwe: Of Female Artisanal Gold Miners”, *allAfrica*, 4 February 2016, <http://allafrica.com>.

79. C. Aucoin, “Can Zimbabwe’s #ThisFlag Movement Lead to Real Political Change?”, *ISS Africa*, 18 July 2016, <https://issafrica.org>.

languages) campaign have mobilized Zimbabweans across the country, encouraging popular protests and stay away and calling for Mugabe to step down.

However, despite the apparently favourable conditions, arising in a peculiar historical juncture where ZANU PF is consumed by internal fighting and economically bent on its knees, many constraints undermine the effectiveness of social contestations. First, political opposition and civil society movements have so far been unable to come up with a coherent action and a well-crafted political agenda, beyond Facebook posts and digital activism: the incitement to protest has often arisen on *ad hoc* and spontaneous basis with little coordination and often conflicting interests among different actors.⁸⁰ The lack of a strategic approach has rendered these movements unable to mobilise in a systematic manner millions of Zimbabweans who have remained alien to political engagement. Indeed, Zimbabweans have traditionally been inclined to passivity and resilience because of the fear of state repression. Furthermore, unlike in the Middle East where the military has often played a pivotal role in determining the overthrowing of incumbent regimes, in Zimbabwe the security apparatus still remains firmly behind ZANU PF entourages and has not hesitated in intervening to violently curb down demos, arresting and arbitrarily detaining activists and protesters. For this reason, such movements have been often considered too “political” and violent by many Zimbabweans who are mostly concerned with securing livelihoods for them and their families. This is arguably a consequence of the “survival economy” impervious in the country, where getting food on the table remains the priority over any other governance issue. As almost the totality of the population is officially underemployed and left to make a living selling in the streets, shut downs have not been embraced with enthusiasm by many. A day of “stay away” is merely a “lost day” for thousands of micro entrepreneurs, who are unlikely to trade their little money, *hic et nunc*, for the remote fight of an uncertain political change. Emerging actors such as the ZCIEA (Zimbabwe chamber of informal economy associations) are becoming more prominent and organised and might play an important role in channelling the grievances of Zimbabweans towards a more organised and conscious struggle for accountability and socio-economic justice. However, police brutality, the risk-averse and disengaged attitude of Zimbabweans and a disintegrated social fabric render livelihoods-related concerns more urgent than civil and political struggles. Thus, reconnecting the legitimate demands for socio-economic justice of disenchanted

80. M. Tendi, “Why a Hashtag isn’t enough for a Revolution in Zimbabwe”, *The Standard*, 17 July 2016, www.thestandard.co.zw.

Zimbabweans with an overarching political agenda pushing for institutional accountability and responsiveness remains arguably the greatest challenge to achieve political change.

Conclusion

Whilst sanctions have constrained ZANU PF leaders' capacity to access resources and have undoubtedly marginalised Zimbabwean leadership at international level, overall the suspension of aid seems to have yielded little or no results in terms of ensuring political leverage and pushing regime change. On the contrary, they indirectly incentivised a predatory strategy by Zimbabweans rulers through solid ties with greedy foreign investors which have contributed to fuel corruption and criminalisation of the economy and solidified ZANU PF authoritarian rule. Mugabe and his entourage have plundered the country in a vicious cycle of de-industrialisation and structural regression which leave millions of Zimbabweans striving to survive and exacerbate the enclave character of the domestic economy, where pockets of enormous, patronage-sustained wealth coexist with endemic poverty.

Undoubtedly, the selective suspension of aid from traditional donors has exposed the inability of the government to manage the economy of the country. However, rather than persuade Mugabe to change his ways, the suspension of aid from the donor community has revealed many unintended consequences, indirectly contributing to consolidate its neopatrimonial regime and exacerbate existing structural distortions of the economy. As a response to the isolation from the West, Mugabe's search for alliances with less principles and human rights-oriented countries has allowed the government, at least until the drop in global commodity prices, to benefit of easy profits coming from natural resources and survive despite the budgetary constraint. The criminalisation and informalisation of economy and the proliferation of outlaws coping mechanisms adopted by both rulers and ruled have eroded the reciprocal accountability which lies at the heart of the social contract. The government has accumulated rents and lands to sustain its repressive machinery bypassing its obligations towards its citizens, disregarding popular dissent and denying even basic rights to its population. Zimbabweans, on their turn, have been left to strive for the remaining crumbs in a survivalist economy, characterised by a shockingly unequal distribution of economic resources, which leaves little hope for social mobilisation and significant political change.

Appendices

Zimbabwe GDP and Growth Rate 2013-2016

Year	2013	2013	2014	2015	2016
Revenue \$b	4,30	4,30	3,80	3,60	3,20
Expenditure \$b	4,20	4,80	4,80	4,60	4,60
Deficit \$million	+100	-500	-1,000	-1,000	-1,400
Percentage	+0,24%	-10,4%	-20,83%	-21,73%	-30,43%

Source: *The Zimbabwean*.

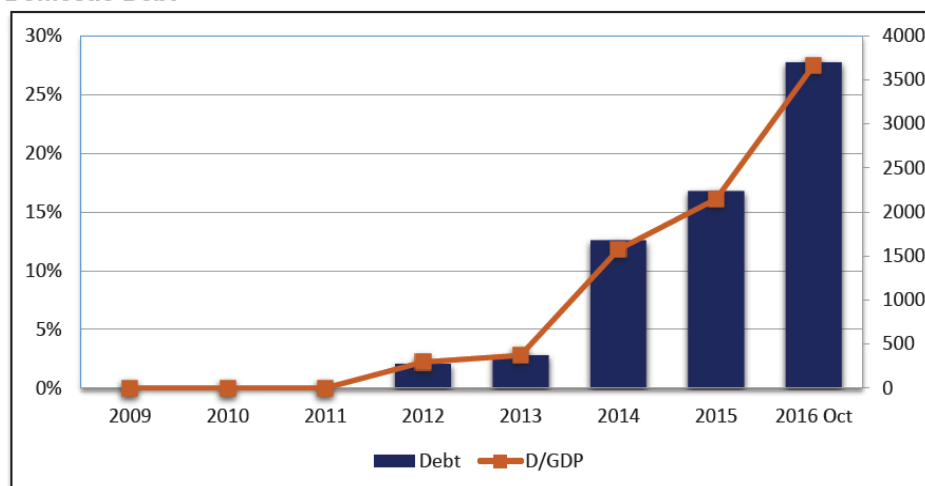
Zimbabwe GDP per capita



Source: *WorldBank data*.

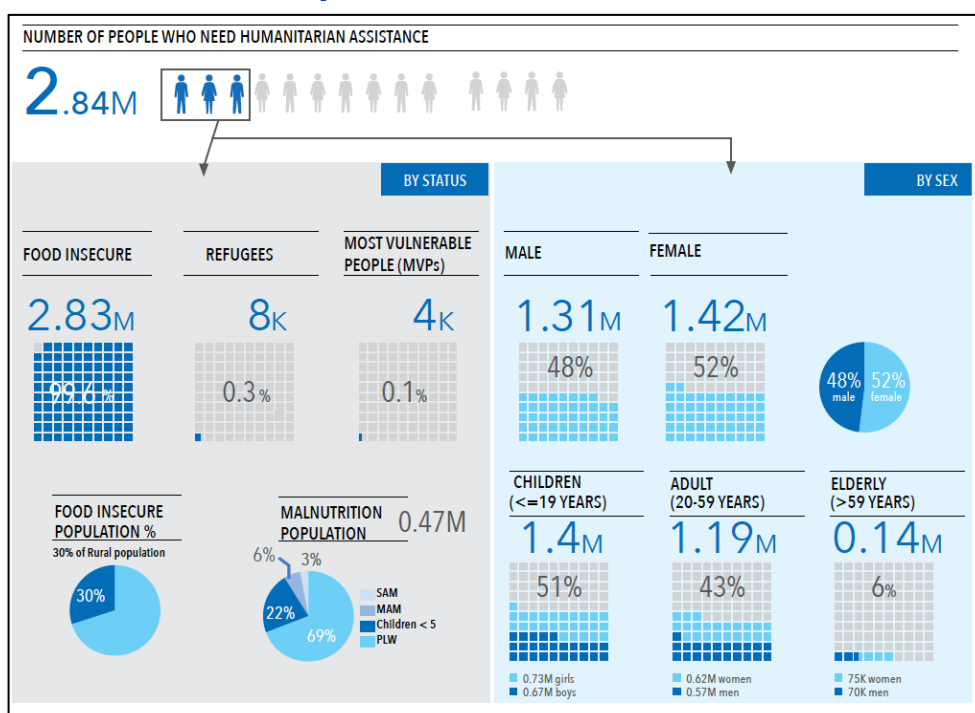
Domestic Debt

Domestic Debt



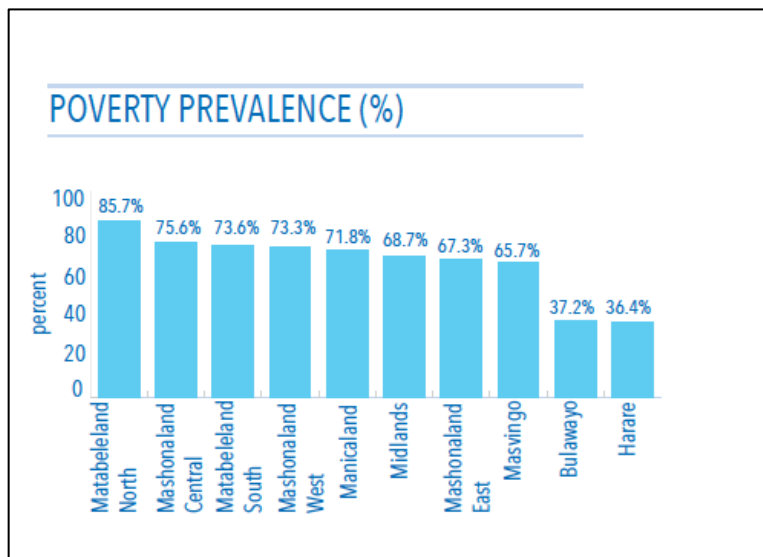
Source: Ministry of Finance, 2017 National Budget Statement.

Number of People Who Need Humanitarian Assistance



Source: UNOCHA, Zimbabwe Humanitarian Needs Overview, 2016.

Poverty Prevalence

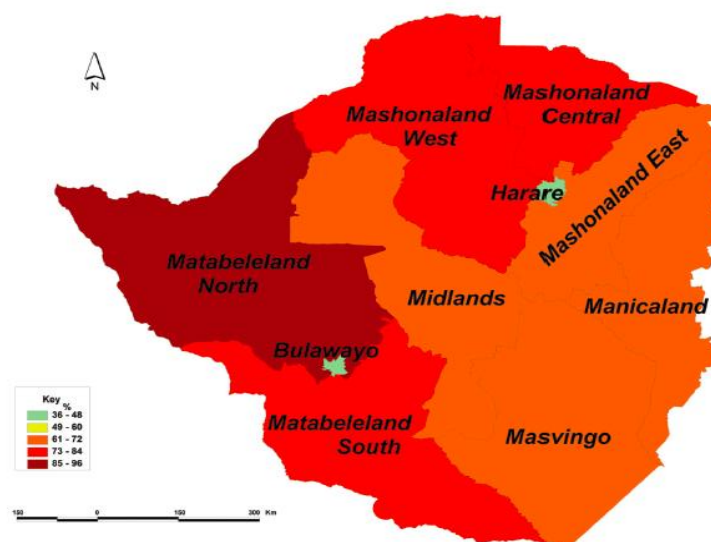


Source: UNOCHA, Zimbabwe Humanitarian Needs Overview, 2016.

Zimbabwe Poverty Map by Province

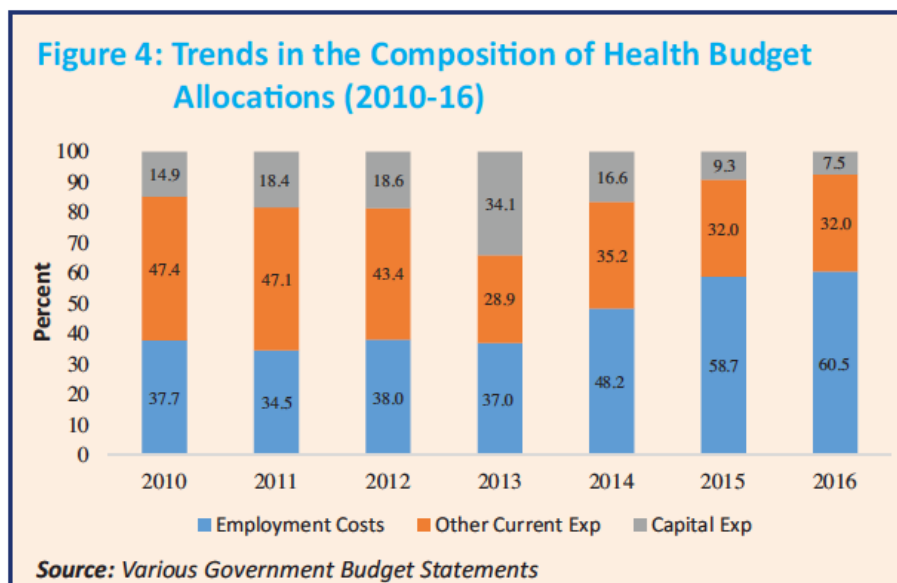
Poverty prevalence at a glance

Map 1: Zimbabwe Poverty Map by Province

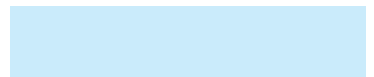


Source: Zimbabwe Poverty Atlas, ZIMSTAT, 2015.

Trends in the Composition of Health Budget



Source: UNICEF, Health and Childcare Budget Allocation, 2016.



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