

MUGABE TRIES TO FORGE TIES WITH BUSINESS

The president seems to be feeling his way towards a social contract with business leaders, and perhaps also the trade unions.

By Norman Chitapi in Harare

It has been a long time since Zimbabwean president Robert Mugabe sounded as conciliatory towards the business sector as he did when he officially opened the show-case Zimbabwe International Trade Fair in Bulawayo in late April.

Mugabe seems to have recognised that the state of the economy is now his political weak point, and to be seeking allies to mitigate the worst effects of the crisis. Unfortunately for the president, analysts interviewed by IWPR suggest he will have a lot of work to do to win businessmen over to his cause.

At the opening of the April 24-25 trade fair, Mugabe called for a "strong and genuine partnership" between government and business. In concilia-



Credit: Lazele

A National Constitutional Assembly banner among the crowd attending May Day celebrations at Gwanzura Stadium, Harare. Picture taken May 1.

tory mood, he told his audience that everyone needed to "subordinate narrow sectarian interests to the broader national good".

Political analysts in the capital Harare said Mugabe was reaching out to the business community because the

deepening economic crisis had gone beyond the point where government policies and controls could reverse it. Annual inflation is now put at 2,200 per cent, unemployment is estimated at 85 per cent, and there are persistent shortages of even basic commodities.

NEWS IN BRIEF

- The Pan African Parliament convening in Midrand, South Africa, on Friday May 11 voted overwhelmingly to send a fact-finding mission to Zimbabwe to probe the alleged abuse of human rights and suppression of the media by the Harare authorities.
- Australian Prime Minister John Howard banned his national cricket team on May 13 from participating in a one-day international tour of Zimbabwe, scheduled for September, to "send a strong signal of disapproval" over Mugabe's excesses.
- Zimbabwe's junior doctors went on strike on May 15, barely six months after a similar work boycott to demand better salaries and improved working conditions.
- President Robert Mugabe's government on May 15 re-introduced in Parliament a controversial bill seeking to empower the state to monitor and intercept private communications between individual citizens or organisations.
- In a statement issued at the weekend the United States government warned its citizens against travelling to Zimbabwe, saying President Robert Mugabe's government had stepped up a crackdown on perceived political opponents.

The trade fair itself, which in the past brought together companies from across the world, has shrunk to a localised affair at which most of the exhibitors are government departments.

"The chickens are coming home to roost," said the manager at a commercial bank, who did not want to be named. "It is becoming clear to Mugabe that his [ZANU-PF] party and government alone cannot solve the country's myriad problems.

"These have indeed become the greatest threat to his hold on power – hence his appeal to the private sector to help."

The banker noted that government policy had changed to become more accommodating to both the business sector and the trade unions in the past few weeks.

In January, for example, a number of business executives were arrested for increasing the prices of basic food-stuffs. They were accused of colluding with the opposition by using the price hikes to provoke anti-government sentiment. More recently, however, the government simply turned a blind eye when the price of bread rose.

Trade unions, too, have found the government more tolerant of their activities. Even the combative Zimbabwe Congress of Trade Unions, ZCTU, was allowed to hold a May Day rally unhindered, contrasting with demonstrations held earlier this year and last year which were broken up by police. Significantly, the May Day event was allowed to go ahead even though it took place in the poor Harare suburb of Highfield, the same area where police used brute force to prevent opposition leaders and supporters from attending a mass prayer meeting in March.

The bank manager said Mugabe must have realised that his government needs to engage the support of both labour and business.

In January, Reserve Bank governor Gideon Gono called for negotiations to draw up a "social contract", where

business, labour and government would work together as partners in resolving the country's problems. So far nothing has happened.

"Gono must have told Mugabe that there is no movement towards a social contract," said the banker. "He must have been told that the hostile rhetoric by government was being met with equal, if silent, hostility and resentment."

Another analyst said it would be difficult for business leaders to take up Mugabe's offer of an olive branch, given that they felt they had been treated badly in the past. Trade unions, too, nurse many grievances since many of their leaders have been beaten up for demanding better conditions for their members.

"There is a lot of mutual mistrust between government and the other would-be social partners," concluded the analyst.

"Business blames government for undermining its viability by controlling the prices of commodities without reference to cost structures. They cannot get foreign currency on the official market [and] are forced to charge sub-economic prices."

The Zimbabwean government, through the central bank, has held the official exchange rate steady at 250 Zimbabwean dollars, ZWD, to one US dollar. But because this rate massively overvalues the Zimbabwean currency, access to foreign currency purchases been severely restricted.

Those with good contacts in the regime can buy foreign currency and either sell it on, or use it to buy scarce goods which they can sell at a mark-up. But most importers and other firms are disadvantaged by having to buy currency on the black market at the going rate of 25,000 ZWD to the dollar.

In April, the Reserve Bank announced a more realistic rate of 15,000 ZWD to the dollar, which would seem likely to open up access to foreign currency purchases and create a more level playing field. But this rate comes with the caveat that it is accessible only to

exporters that themselves generate foreign currency – for example the mining sector, farms and tour operators.

The government has always been suspicious of both labour and business, regarding them as supporters of the opposition Movement for Democratic Change, MDC.

But it is not the case that the business sector, represented by the Employers' Confederation of Zimbabwe, and unionists affiliated with the ZCTU represent a common front.

Addressing members on May Day last week, ZCTU president Lovemore Matombo accused business of "profiteering", saying that while most workers lived below the poverty line, business leaders continued to live well.

Matombo said the ZCTU would lead street protests against business in the near future if workers' salaries were not raised substantially, or at least enough to come up to the poverty line.

Most workers in Zimbabwe earn between 300,000 and 600,000 ZWD a month, hardly enough to purchase a month's supply of groceries for the average family, let alone pay for transport, clothing and school fees.

Another Zimbabwe-based analyst said Mugabe's attempt to re-engage with business and the trade unions would be severely hampered by the legacy of mistrust.

"Mugabe might be genuine in his desire for a change of course, but we all know there is no love lost between him and the ZCTU because of its close links to the MDC."

"Business will also want to... test his commitment to their welfare. So long as there is this tug-of-war and lack of trust, the crisis will persist. Unfortunately, the ordinary Zimbabwean is always the biggest victim of the political impasse and the economic meltdown."

Norman Chitapi is the pseudonym of a journalist in Zimbabwe. ■

COMMENT:**DON'T WRITE MUGABE OFF**

The Zimbabwean president is a past master at orchestrating the political process and playing to vested interests.

By Max Sidindo in Gweru

Is President Robert Mugabe weaker than ever before, as he tries to manage a ruling party riven with dissent ahead of next year's election? That, at least, is the view taken by many of the pundits commenting on recent developments in Zimbabwe.

But those who argue that President Mugabe has lost the plot may be badly misreading Zimbabwean politics.

According to the line of reasoning promoted by many analysts, the ZANU-PF party has been left fatally divided by its decision to endorse the octogenarian president as its candidate for next year's presidential election. Mugabe himself is ready for the scrap-heap, they say, his unpopularity largely stemming from an imploding economy which has seen poverty levels dropping to pre-1960 levels.

There is, however, another way of interpreting recent events. On closer inspection, the wily Mugabe can be seen to have succeeded in refocusing his party and at the same time outmanoeuvring his enemies both within and outside the party.

His masterstroke was to ensure that the presidential and parliamentary elections take place at the same time, a decision which ZANU-PF's governing Central Committee endorsed on March 30.

Many within the party opposed Mugabe's original plan to extend his presidential term for two years until



Credit: Lazele

President Mugabe speaks at Independence Day event at Harare's Rufaro Stadium. Picture taken April 18.

2010, when the parliamentary election was scheduled.

Sensing the political risk posed by dissent within ZANU-PF, Mugabe adroitly arranged matters the other way round, so that the parliamentary election was brought forward to coincide with the presidential ballot, which has to take place by March 2008.

Those who argue that President Mugabe has lost the plot may be badly misreading Zimbabwean politics.

That means he can stand next year when his current term in office expires – but before that happens, he can dissolve parliament, leaving most of his critics without a political power-base. Then he can invite them to join him in campaigning for both his political future and their own.

With its attention refocused on the end game, ZANU-PF has already put its election machinery into motion.

You can tell an election is looming in Zimbabwe when opponents of the ruling party are picked up in the middle of the night and beaten while in police custody.

You also know ZANU-PF means business when it begins redrawing constituency boundaries to suit itself. The latest plan is to link urban areas, which tend towards the opposition Movement for Democratic Change, MDC, to rural constituencies where ZANU-PF is strongest.

ZANU-PF's invincibility is only augmented by the woefully inadequate response from its main rival, the MDC, which does not seem to have any new strategy to counter the Mugabe administration's chicanery.

The MDC appears to be largely relying on tactics that have manifestly failed, rather than looking for new

approaches to winning popular support, or re-examining past assumptions about the best way of handling ZANU-PF intimidation.

The political opposition's dependence on the help of sympathetic organisations such as the Zimbabwe Congress of Trade Unions, ZCTU, and the National Constitutional Assembly has proved fruitless, as most workers are too busy with their own survival strategies to think about confronting the state.

The propaganda machine has succeeded in convincing many urban Zimbabweans that the economic meltdown is a result of sanctions imposed by the West.

Since they cannot live on their pitifully low wages in an inflationary economy, they are relying more and more on activities that will yield a daily cash reward, such as cross-border trading or retailing items like eggs and vegetables.

This has had a definite negative impact on the ZCTU's calls for industrial action, such as the April 3-4 "stay away" strike.

Nor have opposition tactics like engaging in running battles with the police proved effective in changing attitudes among the general population.

Furthermore, Mugabe's propaganda machine has succeeded in convincing a large section of the urban population that the economic meltdown is a result not of mismanagement by government, but of sanctions imposed by the West. Many of these people blame the hardship of their lives on the opposition, which they hold responsible for the sanctions imposed on Zimbabwe. That reduces the impact of opposition attempts to use economic problems as an angle for attacking Mugabe.

The opposition has also been pinning great hopes on the much publicised rift within ZANU-PF that pits the Solomon Mujuru-led camp against Emmerson Mnangagwa's faction. It was hoped that the schism would finally bring the party to its knees, enabling the opposition to pounce.

But that was a gross underestimation of the party's underlying strength, and a misreading of its internal political dynamics.

The Mujuru and Mnangagwa factions are led by people who have known and dealt with each other since the liberation war days. Many of those on either side have also been implicated in the corrupt practices that allowed officials to benefit from the illegal acquisition and sale of state assets.

On both counts, politicians across the party will be very much aware of the consequences of letting some outside player – worst of all the MDC – take over. Given the choice, they will go for compromise within the ranks in order to fend off external challenges.

Ironically, it is the MDC that has suffered more damage from its own internal divisions. After building up Morgan Tsvangirai as a credible leader, the MDC was left weakened and divided by a schism over whether or not to take part in elections in 2005. As a result, the existence of two MDC factions confuses voters.

ZANU-PF politicians across the party will be well aware of the consequences of letting an outside player like the MDC take over.

By contrast, ZANU-PF still presents a united front to the electorate, and even those members who no longer like Mugabe still rally behind him.

The MDC has been unable to build up voter support in rural areas, not least by the Public Order and Security Act which effectively bars it from campaigning unless it gets police

clearance, which never comes. Independent newspapers cannot be distributed in these rural areas, and anyone seen in possession of one can be assaulted, even killed.

Many people in rural areas see the MDC as Mugabe depicts it – a group of people seeking trouble and conflict.

In the countryside, the lack of information means many people do not understand the MDC and view it as Mugabe depicts it – a group of people seeking trouble and conflict. It should not be forgotten that the liberation struggle was waged in the countryside, and many people still carry the horrors of war with them. These memories give ZANU-PF plenty to work with.

The MDC is even finding it hard to mobilise support in Matabeleland and the Midlands, historically the areas where Mugabe was weakest. The president is helped by the fact that when his party swallowed up the rival ZAPU in 1987 after a bloody campaign to destroy its support-base among the civilian population, ZANU-PF inherited the political mechanisms needed to control this region. Now it is putting them to good use to neutralise potential opposition sentiment, and the MDC has yet to come up with any strategy for countering them and making inroads into Matabeleland and the Midlands.

It would also be a mistake to under-rate grassroots support for ZANU-PF, in the shape of the "war veterans" and the youth militia popularly known as the "Green Bombers", who together form the front-line forces when it comes to intimidating political opponents. ZANU-PF is already in the process of recruiting 15,000 young people who will be deployed in December when the election campaign gets into full swing. Provincial officials have already been asked to deliver quotas of young people to undergo training.

Another important constituency consists of people who have benefited from Mugabe's land seizures. At the bottom end of this group, some feel that they have been genuinely empowered by the redistribution of land, and that they owe it all to Mugabe. At the top end, there are many powerful figures – high-ranking officials from the military, the police, industry and commerce. Taken together, they now form a new class of landowners who would fight to the end to maintain the status quo.

It would be a mistake to underrate grassroots support for ZANU-PF.

Another area where the MDC has failed to come up with new strategies is in engaging with African governments, particularly those in the Southern African Development Community, SADC.

Mugabe still enjoys considerable respect in the region, and SADC states have supported the conduct of elections, certifying them free and fair, much to the chagrin of the opposition.

South African president Thabo Mbeki has refused to condemn Mugabe publicly, and the MDC has failed to win his sympathy.

Mbeki's current attempts to mediate in the Zimbabwean crisis will bear little fruit, because Mugabe will ensure that the negotiations drag on and on until just before the elections. At that point, the MDC will have run out of time to campaign and will be in no position to win.

The Zimbabwean opposition faces a mammoth task ahead of the 2008 elections. It is already clear that a campaign strategy based solely on the economic crisis will prove futile.

Mugabe may yet have the last laugh.

Max Sidindo is the pseudonym of a reporter in Zimbabwe. ■

ZIMBABWE: SCHOOL FEES SOAR



Credit: Lazele

Children at a school in Mashonaland East school sing the national anthem. Picture taken in March 2007.

Parents struggle to meet spiralling education costs as conditions in schools deteriorate.

By Nonthando Bhebhe in Bulawayo

Linda Mushava, a secretary, shook her head in disbelief as she looked at the prices of winter uniforms.

"Where am I supposed to get the money from? Please tell me where I am going to get the money. What makes matters worse for me is that I don't have to just buy the winter uniform but I also have to buy shoes," said Linda, whose monthly pay of 350,000 Zimbabwean dollars, ZWD, worth 14 US dollars at the black-market rate accessible to most people, is just above the average salary.

"The ones my daughter was using last term are now too small and it will be cruel for me to ask her to squeeze into them."

With her salary, Linda also has to pay rent, buy food, meet transport costs and school fees. To add to her woes, when the new term started last week, schools fees had gone up by between 600 and 1,000 per cent.

"Where am I supposed to get the money from?" — mother facing rising school costs.

Government primary schools had been charging between 200,000 and 300,000 ZWD (between eight and 20 US dollars) in term fees, while secondary schools levied between 500,000 and one million ZWD (20 to 40 dollars).

This, at a time when conditions in schools only seem to be deteriorating. Parents often have to buy exercise books for their kids. Schools commonly have no running

water, soap or cleaning fluids; classrooms are dilapidated and there's a lack of teaching materials and teachers.

Imagine a child with no school shoes, jersey, trousers or socks, walking to school on a cold day."

The Progressive Teachers' Union of Zimbabwe said recently that Zimbabwe has lost 4,500 teachers this year alone; last year, the figure was 6,000. Some have emigrated; others cannot afford to teach and look for jobs in commerce and industry. The profession has also been hard hit by HIV/AIDS.

What makes the new term even worse is that the children will have to endure what meteorologists are predicting will be one of the coldest winters ever.

One distraught parent said, "Imagine a grade one pupil – or just any child, for that matter — with no school shoes, no school jersey, trousers or socks, walking to school on a cold day. In a few weeks' time, this is going to be the reality."

A full winter uniform for one child now costs up to five million ZWD, in a country where only very senior managers earn that kind of money.

"Normally, we buy two jerseys, a blazer, two pairs of trousers, two pairs of gloves, at least two pairs of stockings and two scarves, " said Linda Mushava. "This means I need more than four million Zimbabwean dollars [160 US dollars] and in my whole life I have never held that kind of money in my hands. Zimbabwe is mad; there is nothing normal in this country."

"Zimbabwe is mad; there is nothing normal in this country."

The cost of living for a family of five, according to the country's consumer watchdog, the Consumer Council of Zimbabwe, is now more than 1.5 million ZWD — about 60 dollars at the black-market rate — in a country where unemployment is more than 80 per cent.

Thandi Ncube has been forced to transfer her two children to a school in

a poor suburb to cut down on school fees and transport costs.

"I fear that my children might freeze to death this winter."

"Just thinking about how cold it is going to be, I feel like crying — because what are my kids going to wear? My son's shorts are already too small and I can't afford to buy new ones, let alone a pair of trousers," she said. "Transferring them also means that I have to buy new jerseys and I just don't have the money to do so. I fear that my children might freeze to death this winter if I don't get help from my relatives."

With the rise in fees and winter on its way, many children, particularly girls, will be expected to drop out of school to help earn money for the family in various ways, such as selling vegetables and, for the unluckiest ones, even prostitution.

Nonthando Bhebhe is the pseudonym of an IWPR reporter in Zimbabwe. ■

The Zimbabwe Crisis Report is an initiative of IWPR-Africa's Zimbabwe Programme. This programme promotes democratisation and good governance with Southern Africa and contributes to the development of a culture of human rights and the rule of law. Focusing on Zimbabwe the programme has three core components — information provision, capacity building and dissemination and distribution.

The key purpose is to increase awareness in the Southern African region of the Zimbabwean situation and the implications for regional peace, security and economic development.

It also contributes to the development of regional policy, promotes dialogue and builds bridges within the region. It also raises the Africa wide and international profile of Zimbabwe in the context of the region.

Importantly it also builds the skills and capacity of the media to reliably and accurately report political transition, governance and human rights issues.

The programme is managed by the Institute for War and Peace Reporting — Africa. For further details go to www.iwpr.net

[[PULLOUT -- “Imagine a child with no school shoes, jersey, trousers or socks, walking to school on a cold day.”]

[PULLOUT -- “Zimbabwe is mad; there is nothing normal in this country.”]

[PULLOUT -- “I fear that my children might freeze to death this winter.”]