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Transcript

Zimbabwe after the Elections: Domestic Economic Developments and Regional Impacts

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Walter Mzembi:

Chairperson, His Excellency Gabriel Machinga, Ambassador of Zimbabwe to the UK, ladies and gentlemen, all protocols observed, a very good afternoon.

It is my pleasure and a great honour for me to address you. This is an important moment firstly as a Zimbabwean, secondly as an African and lastly but not least, as a global citizen. It is my second time to be here, having participated in a discussion three years ago. I would like to leverage on this address to plant a new turning point in our international relations between Zimbabwe and the United Kingdom of Great Britain and Northern Ireland.

I basically travelled to this country to participate at the World Tourism Mart (WTM), and when I was invited to speak as the minister for tourism and hospitality industry in Zimbabwe, I gladly accepted to come and share with you our recent experiences in Zimbabwe. The subject of my presentation as given to me shall be on Zimbabwe after elections: domestic economic developments and regional impacts.

Let me start by expressing that Zimbabwe's position has been and continues to be the promotion of friendly relations with the entire international community, even with those countries with which we may not agree on some matters of principle. I note that the issue of elections and all the electoral processes in my country have been largely misunderstood, and at worst misconstrued. This is particularly so when pessimism, rumbling and conflicts are fanned in our midst including misgivings that come from interested international parties failing to recognize and respect the will of the people of Zimbabwe who, on 31 July 2013 went to a peaceful harmonized plebiscite and elected leaders of their choice to lead them. The people spoke eloquently through the ballot and ideally defined their political trajectory and destiny by deciding who should govern Zimbabwe. The rumblings from some quarters of society including defeated political parties and interested international players, miss the point in respecting the democratic processes, fairness, peacefulness, and the credibility of our systems. It is like turning off the light of the popular democratic free-will of the people of Zimbabwe, who overwhelmingly voted ZANU–PF, the party I belong to and proud of, which offered hope and provided a superior manifesto answering the needs of our masses. I say this because it is on the basis of election manifestos that we win the hearts and souls of the electorate when they make their own assessment concerning whom to vote for and eventually to govern them. That is the essence of democracy.

The issue here is that we created all the necessary conditions conducive for holding elections following the consummation of the inclusive government in September 2009. For the avoidance of doubt, among doubting Thomases, let me hasten to say that following the consummation of the inclusive government, we deliberately found each other as political players in Zimbabwe and went into full force for a constitutional making process as part of the global political agreement element.

The Constitutional Parliamentary Committee (COPAC) included all political parties and civic society in Zimbabwe. We worked hard as 'Team Zimbabwe' in formulating the new constitution and a regulatory framework that together, produced conditions for holding a referendum. The process secured 97.9 per cent Yes vote from our people endorsing the constitution. Ultimately, this paved the way for the holding of elections.

Let me touch a little bit on our experiences in the inclusive government. It is a matter of public knowledge that my party, ZANU–PF and the two MDC formations are at variance in terms of their historical and ideological persuasions. This informed the political paralysis our people had to endure in the last four years when their expectations on the entire leadership to focus on development. The casualties were the masses via policy gridlocks, disagreements, political bickering and shenanigan approaches to executing public policy. Our coalition partners who happened to have the biggest share of social service and economic Ministries in their portfolios in the inclusive government were found wanting.

Power is sweet and once you taste it, sometimes you forget that an election should come one day. Whereas ZANU–PF remained in touch with the masses, our coalition partners were preoccupied with matters non-related to the people's aspirations.

The inclusive government had a lifespan of 18 months. We dragged on for four years unnecessarily, and this was a serious case of commission on all the parties involved. Asking us to go back to the people was synonymous with asking chickens to vote for their Christmas, knowing very well that they will be victims of festivities. However, after all the processes were done elections had to be conducted irrespective of our choices. The simple reason I am saying this is that our covenantal governance mandate with the people, had to be renewed at all cost. On 31 July 2013, that process was concluded with five presidential candidates contesting for the highest office. President Robert Gabriel Mugabe romped to victory by a wide margin.

The results were declared as true expression of the will of the people of Zimbabwe. Observer mission reports from all countries invited in a bilateral context, the diplomatic community accredited to Zimbabwe, the Southern African Development Community (SADC), the Common Market for Eastern and Southern Africa (COMESA), the African Union (AU) observer mission and local observer teams, confirmed that the elections were democratic, free, fair and credible. The United Nations Secretary General Dr Ban Ki Moon, and indeed his predecessor, Kofi Annan, congratulated President Mugabe and Zimbabweans at large for holding peaceful and credible elections. This, in any case, is the highest endorsement of our electoral process despite some countries having not accepted the true will of the people of Zimbabwe. The failure to acknowledge the will of the Zimbabwean people smacks of duplicity on what democracy is.

It is important to highlight that Zimbabweans found each other during the four years of the inclusive government. During that period, political parties had equal opportunities to perform in Government. On the basis of that performance, the electorate was watching us to quintessentially pass their verdict in an election, which I think was more of a performance based assessment of the parties. The people chose leaders they thought had performed better and therefore, were confident with them to lead the country going forward.

The ZANU-PF manifesto was themed to respond to the will of the people under the banner indigenize, empower, develop and create employment. It emerged as the preferred party. We preached the gospel that 'peace begins with me, peace begins with you, and peace begins with all of us'. Our people were alert to the need for tolerance. The president led this clarion call as much as the former prime minister did. Living true to these words, peace prevailed in our elections and the best party ZANU-PF won the elections that were held in compliance with SADC guidelines governing the conduct of democratic elections, which were among the first to adopt them. We have consistently applied these guidelines since 2005 the general elections.

Zimbabwe has since moved on a peaceful path. This is notwithstanding gross misrepresentation of facts on the ground about Zimbabwe. We face distortions of reality every day, which has consumed the media, our fourth estate, thereby paralysing some of our international relations. The adage that 'truth is the first casualty of war' proves has been correct here. People lie, distort things, and choose to ignore the truth with straight faces and without any moral qualms at the expediency of self-appeasement and parochial international diplomacy.

Having said that, I wish to state that Zimbabweans are enthused by the endorsements we received for holding credible elections that conformed to the dictates of international and democratic electoral standards. The fact that we resolved our political differences without resorting to violence is a sign of maturity of our democracy.

We learnt how to secure peace and coexistence through dialogue, social inclusion and tolerance. We are again moving forward in terms of social and economic development strategies, with emphasis on the medium to long term sustainable growth of the economy aimed at achieving the Millennium Development Goals for positive transformation.

We have formulated an economic blueprint targeted at growth strategies. We take note of the fact that the economy suffered major knockdowns from illegal sanctions imposed on Zimbabwe for over a decade now. Our target is to develop the economy by at least 9.9 per cent in the next five years through value addition in various sectors of the economy. These projections are contained in the economic blueprint dubbed 'Zimbabwe Agenda for Sustainable Socio-Economic Transformation (Zim Asset)'.

The policy document was adopted by government as a strategic economic transformation policy in which we seek to mobilize local resources to liquidate the \$11 billion external debt. What we seek with the international financial systems is a sound re-engagement exercise to support our economic transformation in a manner that provides traction for us to restructure debt payment or even rescheduling it. As Government, we are setting key priority areas founded on uplifting the both social and economic wellbeing of our people. This is the right opportunity for entry into our growing economy by any serious investor.

During the planned period of Five Years under Zim Asset, the economy is projected to grow by an average of 3.4 per cent in 2013, 6.1 per cent in 2014 and continue on an upward growth trajectory to 9.9 per cent by 2018.

The growth trends shall ride on the back of a multi-currency system that we have agreed as government to maintain for the next five years. It is our considered view that the multi-currency system will add impetus to development and form the basis of our programmes of transformation. We might actually need to add more currencies to the cocktail of currencies we are currently using, depending on how that currency will be benefiting the country and our people. Our economic blueprint focuses on the following key socio-economic transformative cluster sectors:

- Food security and nutrition
- Social services and poverty reduction
- Infrastructure and utilities
- Value addition and beneficiation

The economic blueprint banks on key drivers that are expected to facilitate economic growth. Value addition and beneficiation in various sectors among them mining, agriculture, infrastructure, power generation, transport, tourism, information communication technology and enhanced support for small to medium enterprises, are going to be key drivers of the projected economic growth.

For us, the Zim Asset policy is going to be successful. We have identified key factors that guarantee positive outcomes including strong collaborative partnership among government agencies, the private sector, citizens and other development stakeholders. As part of the strategy, we recognize total commitment and strong desire to meet people's development expectations and continued use of the multi-currency regime to consolidate macro-economic stabilisation going forward.

Introduction of special economic zones and creation of special funding vehicles such as acceleration of the implementation of the public-private partnerships is part of our strategy. We have tried this with Chisumbanje Project that has seen ethanol blending of fuel

production, culminating in a 2 per cent reduction in the price of fuel on the market. We are doing the same in the areas of infrastructure development such as roads, power generation and water supply. As the minister responsible for tourism and hospitality industry, I wish to invite investors to even see me on the projects on offer on public-private partnership arrangements for the development of a world class theme park in Victoria Falls in Zimbabwe within a 1,200 hectares piece of land that the government allocated to my ministry. This land is for tourism-related business developments in Victoria Falls, a name derived from Her Majesty, Queen Victoria.

The government of Zimbabwe after the elections has embarked on a great leap forward in its strategy and we envisage the establishment of a sovereign wealth fund, institutionalisation of results-based management across the public sector-civil service, parastatals, state enterprises and local authorities.

We are also conscious of the fact that as we plan our development, we ensure rehabilitation, upgrading and development of key infrastructure and utilities comprising power generation, roads, rail, aviation and water as key target areas. Government would deliberately implement supportive policies in key productive sectors including tourism in order to quickly grow the economy. Alignment of legislation, policies and guidelines by all government ministries and departments in line with the new constitution is another target area.

It is imperative, distinguished delegates, to inform you that our mission is to 'provide an enabling environment for sustainable economic empowerment and social transformation to the people of Zimbabwe', which guides execution of our strategic plans.

Zim Asset policy further acknowledges the manufacturing sector performance as key, however, it has continued to be stagnant a crisis situation with capacity utilisation requiring our efforts to increase it phenomenally. The stagnation in my view, is attributable to structural and infrastructural bottlenecks such as erratic power supply, obsolete machinery and dilapidated infrastructure as well as lack of and liquidity problems, coupled with escalating cost of recapitalisation of the manufacturing sector, albeit a competitively robust market. The fiscal space remained severely constrained due to poor performance of revenue inflows against the background of rising recurrent expenditure and a shrinking tax base, which again calls for intervention by central government in addressing the issues.

The economy has over the last 13 years been saddled with a high debt overhang, with an external debt stock of \$11 billion as at December 2012, which has been caused by the country's failure to access international capital for servicing debt, debt relief and restructuring. There have been low investment inflows, as illegal sanctions have tended to constrain the fiscal space. This reduced drastically the quantum of support that could have offered relief to some of the economic sectors in Zimbabwe.

Going forward, these challenges are not insurmountable. As government through Zim Asset policy thrust, we are eager to collaborate with interested investors to transform the economy for mutual benefit. The government thus intends to mobilize funding from its own local natural resources, which are in abundance and readily available for mutual full exploitation and utilisation in terms of providing guarantees to those who want to partner with us. More essentially, the creation of a sovereign wealth fund, which will be given priority under this plan, shall immediately backstop and provide predictability and sustainability to government innovative funding processes to all the identified clusters.

The Zimbabwean government will continue to accelerate the re-engagement process with international financial institutions and creditors to increase the fiscal space and improve on investments. This would be done through policy thrusts that government will finalize with these institutions under the auspices of the cabinet approved Zimbabwe Accelerated Arrears Clearance, Debt and Development Strategy (ZAADS) and the Zimbabwe Accelerated Re-engagement Economic Programme (ZAREP). The blueprint derives from ZANU-PF's winning election manifesto, President Mugabe's inauguration speech and his address to parliament as he officially opened the first session of the eighth parliament.

The impact of political and economic developments in Zimbabwe is enormous. Our successful holding of elections during which time people expressed their democratic free will has helped to assuage the anger that used to characterize our political discourse and failure to find each other. The peaceful conduct of our elections, and subsequently formulation of a people-centred new economic policy based on our thrust to indigenize, empower, develop and create employment, serve to reinforce how socially and economically serious government is in addressing critical issues affecting our people.

The political hope we have found for our people in responding to their economic aspirations through people-oriented and pro-poor policies, has given assurances to avoid a situation where latent communal group problems coalesce into explosive combination of material insecurity coupled with the perception of being marginalized. In Zimbabwe, I have always highlighted that the issue of the economy is centred around resource equity and access, as the cornerstones of tackling socio-economic ills that bedevil societies worldwide, which ideally has a bearing on peace and stability of nations. Where communities or people feel disenfranchised, the situation may create a potentially explosive mix of burgeoning local and national crisis, and perceived social discrimination may threatens society's peace and stability immediately. We have tried to avert these vicissitudes.

Domestically, Zimbabwe's economic blueprint enhances active involvement of people to take charge in alleviating their problems, which in other instances if not addressed, could cause festering discontent that exacerbate social cleavages. Our President, Cde RG Mugabe, has been correctly championing equal distribution of wealth and access to national resources by all the people in Zimbabwe. My position and clarion call is to

continue on a broad-based public participation and market-based empowerment programmes such as Community Share Ownership Trusts as opposed to empowering individuals, especially those that have benefited in other empowerment schemes. As a nation, we remain alert to the fact that we were disenfranchised by historical circumstance. The efforts to restructure the economy so that it reflects the demographics of the country are only noble in correcting historical imbalances. In this case, this has become an approach in building a new class of empowered people irrespective of colour, race, creed and region. It is on this basis that long-term and comprehensive developments we are pursuing become a prerequisite for durable political peace and stability not only to Zimbabwe but also in the entire southern African region. Consequently, the issue we need to understand is that economic inequalities and lack of access to resources, including land, can cause instability and undermine peace.

Having said all that, I would not have done justice if I do not take this opportunity to highlight some important aspects of the Tourism sector that I represent as Minister. I wish to say, I have not looked back since becoming a Minister for Tourism and Hospitality Industry. We successfully co-hosted the 20th Session of the UNWTO General Assembly with Zambia from 24–29 August 2013. The conference was attended by 121 countries, 400 Affiliate Members, 800 media houses and was declared by the UNWTO Secretary General, Dr Talib Rifai as the best ever attended UNWTO General Assembly in history.

Let me hasten to mention that the tourism sector in Zimbabwe is poised to grow. We have projected that the sector will contribute about 15 per cent to GDP, generate between 300,000–400,000 jobs and increase receipt to 5 billion dollars by 2015 respectively. However, those growth targets come with challenges, as it will stimulate demands for more tourism facilities. For example, the growth has a ripple effect on accommodation, conferencing solutions and many other aspects. Thus, we are opening up for investments. As a matter of policy, we have declared the whole country as a tourism development zone (TDZ), and we are renewing for five years the Statutory Instruments 124 and 199 to provide duty exemptions on all capital goods and equipment imported for tourism development. Tourism development zone and the statutory instruments, perhaps, are the best incentives we are offering. I need to emphasize that this implies that every part of the country enjoys equal privileges, access and equal treatment in terms of tourism incentives offered by the government in implementing tourism development programmes. Our national implementation plan will operationalize the policy in a manner that ensures parity of developments, which inadvertently stimulate growth of tourism across Zimbabwe.

Let me turn to the issues of ecological disaster that you might have read with respect to lacing of water holes and salt licks by cyanide in Hwange National Park, which is part of the Kavango Zambezi (KAZA) Transfrontier Conservation Area. The KAZA is the biggest wildlife sanctuary in the world with the largest population of elephants. Ordinarily, that makes wildlife a magnet for tourism development. However, the current trend of wildlife

poaching using biological chemicals, present a huge challenge for us as a country and the southern African region. It will undermine tourism economic growth. To this end, the death of more than 100 elephants in Hwange National Park, following collapse of conservation programmes due to underfunding and withdrawal of support by the international financial markets has created a huge gap on environmental security and sustainable biodiversity conservation in Zimbabwe.

I wish to state that even when countries are in frosty relations, this should not affect the wildlife we hold so dear to our hearts as our global commons. The wild elephants, the rhinos, the buffaloes, the leopards, the lions, just to mention the big five, know no political differences and political boundaries. However, the question is, should we allow political differences to play game while biodiversity and conservation of our pristine flora and fauna are being decimated? I wish to share with you that the death of elephants in Hwange National Park of Zimbabwe, is a tip of the iceberg. We need to address the issues together to protect our ecosystems and all that is in it. Africa is suffering huge haemorrhaging and pillaging of wildlife resources due to increase demand of wildlife products in foreign markets in Asia, here in Europe and the Americas. In fact, there is indisputable empirical evidence, which show that biodiversity and wildlife in Africa face enormous threats. Consequently, these undermine tourism as a quick-win to stimulate accelerated development in Africa whose tourism is known to be dependent on pristine flora and fauna. The situation looks ruinous, take for example, the case of elephant population in Africa. According to Elephant Action League, by the beginning of the 19th Century, Elephants in North Africa were at 27 million, this number went down to five million at the beginning of the 20th century, dropped further to 1.3 million elephants in 1981, 700,000 in 1988, 600,000 in 1990 (when the international ban on ivory trade was then implemented), 500,000 by 1998, 400,000–500,000 now (with 35,000–40,000 elephants estimated to being killed each year). This trend of elephant carnage, as well as that of rhinos depletion, is solely due to poaching that reverses overall positive population growth in the long-term, which had been realized since ivory ban in 1990.

Clearly, this form of environmental and ecological terrorism demands that we take action together for the cause of nature and sustainable development in Africa. Dealing with the signs and symptoms of decimation of wildlife, is intimately a tactical approach, while dealing with causes at varying levels is a strategic issue. Arising from this problem of wildlife poaching is my clarion call for renewed spirit to the extent that I have escalated to UNWTO as the current UNWTO Commission for Africa Chairman I preside over for the next three years, the need to assist African countries. This has been accepted. I therefore, appeal to concerned individuals, NGOs, governments and the entire global conservation community and environmental philanthropies to take action in protecting the 'global commons' in Africa. It is my humble submission that during my tenure, as CAF Chairman, I focus on tourism and biodiversity as a legacy vision that I seek to plant in our midst,

inspired by our UNWTO 2010 World Tourism Day theme on tourism and biodiversity. The running theme that I am appealing for collaboration and support for sustainable tourism driven development of our economies is on tourism and biodiversity: zero tolerance on poaching in Africa by 2020.

In conclusion, ladies and gentlemen, I wish to reinstate that Zimbabwe is ready to engage with the international community. We expect political good-will going forward in building our relations. This is time to bury the hatchet, focus on what we can do together, improve relations, and develop our economies and our people. I thank you.