Order Code IB10059

CRS Issue Brief for Congress

Received through the CRS Web

Zimbabwe: Current Issues

Updated October 17, 2001

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SUMMARY

Zimbabwe, a country of 12 million people in southern Africa, continues to face a serious political, economic, and social crisis; and the opposition Movement for Democratic Change (MDC) is demanding that President Mugabe resign or be impeached. The MDC won 57 seats in the 150-member parliament in June 2000 elections marked by considerable violence. On May 25, 2001, Secretary of State Colin Powell said that Mugabe seems "reluctant to submit to the law an the will of the people," and urged that the next election be free and fair.

Since February 2000, approximately 1,000 white-owned farms have been occupied by veterans of the independence struggle and others. An estimated 2,600 farms have been slated for eventual takeover, and the government plans to resettle 500,000 poor farmers on the seized land.

The need for greater equity in land distribution in Zimbabwe has long been recognized by aid donors and even the commercial farmers' organization. Donors have offered support for the orderly purchase of land and the creation of commercially viable small farms. Analysts are concerned that the current, seemingly chaotic process will turn much of Zimbabwe's rich agricultural endowment into a patchwork of subsistence farms.

At least 30 people, including four white farmers, had been killed by the time the June elections were held. Supporters of the MDC, both black and white, were the main targets.

There has been much speculation that President Robert Mugabe pushed ahead with land seizures in order to enhance the popularity of his ruling Zimbabwe African National Union-Patriotic Front (ZANU-PF) party among war veterans and rural Africans before the vote. MDC president, labor-leader Morgan Tsvangirai, led a vigorous campaign, despite the violence his party faced.

The MDC poses a serious challenge to ZANU-PF in part because of Zimbabwe's serious economic problems. Unemployment reportedly is at 60%, and more than 60% of Zimbabwe's people live in poverty. Zimbabwe's crisis has led to a sharp drop in tourism, and foreign exchange earnings from tobacco and other agricultural exports have fallen. Zimbabwe has undertaken a costly military deployment in Congo, contributing to the International Monetary Fund's decision to suspend balance of payments support. World Bank lending is also suspended, in part because Zimbabwe is in arrears on its repayments of past loans. The adult HIV infection rate in Zimbabwe, estimated at over 25%, is among the world's highest.

The next presidential election is expected in April 2002, and President Mugabe, now 77, has stated his intention to run again. He has headed the government since 1980.

U.S. policy-makers once saw Zimbabwe as a source of political and economic stability in southern Africa, but with the failure of Zimbabwe's economic reform program and mounting unrest in the 1990s, U.S. assistance levels fell sharply. Aid now focuses on programs to strengthen democracy, raise living standards among the poor, and fight the AIDS epidemic. In 2000, the United States strongly criticized pre-election violence and intimidation in Zimbabwe. In June 2001, the U.S. Assistant Secretary of State for African Affairs warned that the United States and Zimbabwe could not have normal relations until the violence and intimidation end and the rule of law is restored.

MOST RECENT DEVELOPMENTS

Zimbabwe President Robert Mugabe announced on October 15, 2001, that his country was abandoning free market economic reforms and returning to a socialist style economy. The move followed government-imposed price cuts of 5% to 20% on basic commodities, such as maize meal and soap, announced on October 12. Mugabe said that businesses opposed to the price controls could "pack up and go" and that the government would take over any firms that closed. Also on October 12, the motorcade of opposition leader Morgan Tsvangirai was attacked by a crowd thought to consist of militant supporters of President Mugabe. Tsvangirai, who had been traveling to a campaign rally, escaped unhurt, but his car was heavily damaged. Meanwhile, reports indicated that Tsvangirai's Movement for Democratic Change was being weakened by rivalries among its leaders and growing factionalism.

BACKGROUND AND ANALYSIS

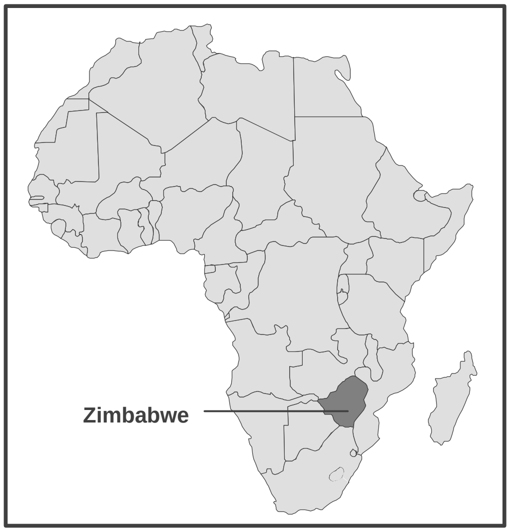
Historical Background

The roots of today's Zimbabwe crisis can be traced back to 1890, when a column of 200 white settlers belonging to Cecil Rhodes' British South Africa Company (BSAC) arrived in the heart of the territory belonging to the Shona people, known as Mashonaland. By promising that white numbers would remain small and that they were interested only in mining, the settlers had won passage into the region from Lobengula, chief of the Ndebele people, whose Matabeleland lay between Mashonaland and South Africa, But each white settler was immediately given 1,210 hectares of land (1 hectare=2.47 acres) in addition to 15 mining claims. In 1893-1894, the BSAC waged war against the Ndebele, eventually winning control of Matabeleland as well. (See U.S. Library of Congress, *Zimbabwe, A Country Study*, Area Handbook Series, 1982).

In subsequent years, African farmers were largely confined to Native Reserves, now known as Communal Areas, where the soils were poor and rainfall scant. The Land Apportionment Act of 1930 formally set aside over half the country's total land area, including the most fertile zones, for whites; and the Land Tenure Act of 1969, allocated most remaining unreserved land to the so-called "European areas," while denying Africans any possibility of acquiring land in those areas. There had been an influx of European settlers after World War II, and by the 1960s, there were more than 200,000 whites, while Africans numbered about 7 million.

Britain had permitted the white-ruled territory to become a self-governing colony, known as Southern Rhodesia, in 1923, but by the 1950s, as elsewhere in Africa, African political movements were growing stronger and pressing for independence. Britain, which had come to recognize that independence for all of its African colonies was inevitable, insisted that the white settler regime undertake political reforms that would prepare the way for eventual majority rule in Southern Rhodesia. In order to avoid this, the white settler government, led by Ian Smith of the Rhodesia Front party, issued a Unilateral Declaration of Independence from Britain in November 1965, naming the secessionist country Rhodesia.

Britain imposed stringent economic sanctions against Rhodesia, and United Nations sanctions followed, but neither Britain nor other countries were prepared to intervene militarily to end the rebellion. Economic sanctions had limited impact, since Rhodesia was able to trade freely with its neighbor, white-ruled South Africa. There were outbreaks of armed African opposition to the white regime as early as 1966, but it seemed at the time that white minority rule might last indefinitely. In 1972, however, a full scale guerrilla war began as troops of the Zimbabwe African National Union (ZANU) crossed into Rhodesia from bases in parts of Mozambique that Mozambican revolutionaries had freed of Portuguese control. In 1974, African nationalist Robert Mugabe, who had been imprisoned in Rhodesia for a decade, was released; and he slipped out of the country, taking command of ZANU in 1975. Mozambique became fully independent of Portugal in 1975, strengthening ZANU's position, while to the west, guerrillas of the rival Zimbabwe African People's Union (ZAPU), based in Zambia, were also launching armed attacks into Rhodesia. ZAPU was largely an Ndebele movement, and its head, Joshua Nkomo, now deceased, was himself Ndebele.



Early Congressional Involvement. During the late 1960s and in the 1970s, U.S. participation in the UN sanctions against Rhodesia became a significant issue in Congress, where some Members saw the white-ruled country as a bastion against communism. These Members were concerned that ZANU leader Mugabe identified himself as a Marxist and that ZAPU, ZANU's rival, was supported by the Soviet Union. Under the "Byrd Amendment," named for Senator Harry F. Byrd of Virginia, U.S. enforcement in the United States of the UN sanctions against Rhodesia was suspended with respect to imports of critical and strategic materials. (Section 503 of the Armed Forces Appropriation Authorization of 1971, P.L. 92-156.) These included chromium, used in the manufacture of high-quality steels, as well as titanium and nickel. In 1977, however, after a long legislative battle, the view that the Byrd amendment was damaging the United States in Africa and undermining efforts to promote democracy prevailed, and the amendment was essentially repealed. (House Committee on Foreign Affairs, Congress and Foreign Policy Series, *Executive-Legislative Consultation on Foreign Policy: Sanctions Against Rhodesia*, September 1982.)

The Carter Administration, which came into office just before the Byrd amendment was repealed, strongly supported majority rule in Rhodesia, and backed British diplomatic efforts to bring about this result. Controversy over U.S. policy continued, but on December 21, 1979, at Lancaster House in London, a Rhodesian peace agreement was finally concluded. The agreement provided for a brief transition period under a British governor, elections under a constitution establishing a parliamentary form of government, and constitutional guarantees of minority rights. Mugabe's party, renamed as the ZANU-Patriotic Front (ZANU-PF), won a parliamentary majority in the election, and he was installed as Prime Minister of independent Zimbabwe on April 18, 1980.

Zimbabwe in the 1980s. For much of the 1980s, Zimbabwe was regarded as something of a model to other African countries because of gains the Mugabe government made in extending education and health care services to the poor; and in providing extension services, rural roads, and clean water for impoverished farming communities. Moreover, the country enjoyed relative racial harmony, and some whites served in government, although others were embittered by the course of events and thousands left. (Today, whites number an estimated 70,000 to 80,000 out of a population of 12 million.) The difficulties Zimbabwe encountered as a "front-line state" facing white-ruled South Africa brought it sympathy and support from the international donor community. The United States provided more than $360 million in non-food economic assistance in the first decade after independence.

Even in the 1980s, however, there were indications that authoritarian tendencies were emerging in Mugabe's regime. From 1983-1987, dissident activity in Matabeleland, the ZAPU stronghold, was suppressed by the North Korea-trained Fifth Brigade of the Zimbabwe army. Though little information on the conflict was provided by the government, reports indicated that thousands were killed and that government troops committed a number of atrocities. The conflict ended when Nkomo agreed to merge ZAPU with ZANU-PF, but the merger had the effect of making Zimbabwe virtually a one-party state. The constitution was changed in 1987 to create a new political system with a strong presidency, and Prime Minister Mugabe was himself inaugurated as the first president on December 31 of that year. In the later 1980s, reports and allegations of corruption appeared with increasing frequency.

Zimbabwe in Brief

Population: (1999) 11.9 million
Size: slightly larger than Montana
GNP per capita: $520; average annual per capita GNP growth, 1989-1999: -.2%
GDP: 1999: $5.6 billion; 1989: $8.3 billion
Foreign debt: $4.6 billion (1999)
Life expectancy: (years)1998: 51; 1990: 56
Illiteracy: males: 8%; females: 17%
Ethnic groups: Shona 71%, Ndebele 16%, other African, 11%, white 1%, mixed and Asian 1%
Religion: Christian, 25%; indigenous, 24%; syncretic, 50%; Muslim and other, 1%

Sources: World Bank; U.S. Central Intelligence Agency, World Factbook.

Zimbabwe in the 1990s. In February 1990, Nelson Mandela was freed from prison in South Africa, and Zimbabwe's large and powerful neighbor began a 4-year democratic transition. Peace and democracy in South African seemed to promise a major improvement in Zimbabwe's international situation. Meanwhile, the Zimbabwe government was developing an economic structural adjustment program aimed at strengthening the domestic economy. In July 1991, the finance minister announced plans to cut the budget deficit, reduce the size of the civil service, and end all state subsidies to state-owned corporations, including the national airline, the steel corporation, and the railways. Despite these promising domestic and international developments in the early 1990s, the political and economic difficulties that had begun to emerge in the1980s deepened severely as the decade advanced.

Allegations of serious corruption, some involving government ministers and Mugabe family members and others close to the president, continued to appear. In 1996, there were reports of serious improprieties in payments from the War Veterans Compensation Fund, intended to assist disabled veterans of the liberation struggle. Veterans mounted a series of protests, but these were stemmed in August 1997, when the government announced that all veterans would receive a substantial lump sum payment as well as a monthly pension and other benefits. Economists were concerned that no such expenditures had been budgeted or planned, and that the inflationary impact of the payouts would further weaken the currency.

Demonstrations by students and workers against corruption and unemployment by students and workers occurred with increasing frequency in the later 1990s, and these were often harshly suppressed by the police. In December 1997, during one round of protests, trade union leader Morgan Tsvangirai was attacked in his office and beaten unconscious by unknown assailants; and in March 1998, the offices of his Zimbabwe Congress of Trade Unions (ZCTU) in Bulawayo were pillaged and burned. The latter attack came after the army had been deployed to put down urban protests over rising food prices. There were other reports of political intimidation against opponents of the regime, and some accounts attributed these attacks to war veterans, whose loyalty to Mugabe had been solidified by the costly veterans benefit program.

The Land Issue

As Zimbabwe's political and economic situation deteriorated in the later 1990s, tensions between the Mugabe government and white farmers over land intensified. At the time, it was estimated that about 4,500 white-owned commercial farms were occupying about 70% of the country's most fertile land while perhaps 8 million peasant farmers were still primarily working the poorer, drier soils of the Communal Areas. Many observers argued that the white-owned farms were critical to the nation's economy, not only because of their contribution to the nation's food supply, but also because the tobacco, maize, and other crops they produced for export accounted for about 40% of export earnings. Moreover, many argued that the long-term solution to unemployment among Zimbabwe's poor lay not in land redistribution but in business and industry, including tourism. Even so, it had long been recognized by donors, and by the largely white Commercial Farmers Union, that the sharp inequity in land distribution was untenable over the long term, and programs had been developed to purchase white-owned land for resettlement by African farmers.

The goal of these land reform programs was not to divide up fertile land into subsistence plots, but to create viable small farms that would continue to produce crops for the local market and for export. Some economists argued that reform of this sort could actually boost earnings in the agriculture sector, since in their view land on the large, white-owned farms tended not to be fully utilized. Others pointed out, however, that there would be added costs to reform, since the former white-owned farms would be more densely populated, creating added needs for roads, schools, clinics, and other facilities.

From 1980 until 1992, a largely British-funded program financed the purchase of approximately 3 million hectares of land on a "willing seller-willing buyer" basis, and some 62,000 families were resettled. (*The Economist*, November 15, 1997). U.S. assistance funds during this time were used not to purchase land but to help strengthen the overall economy and assist smallholder farmers through agricultural credit programs, extension services, and training. British support for land purchases came to an end in 1992, when the Mugabe government enacted the Land Acquisition Act, amending the constitution to deprive landowners of the right to appeal government-set prices in the courts. (The Act still required fair compensation, even though the right of appeal was taken away.) The Mugabe government did compulsorily take 45 farms in 1994, and according to reports, the choicest were given not to the poor but to cabinet ministers, generals, and others well-connected in ZANU-PF. (*The Economist*, April 16, 1994; *African Business*, January 1998).

Lancaster House Commitments. The land issue continued to fester, with Mugabe insisting that Britain was obligated to finance the purchase of land from whites for redistribution in part because British subjects had initially taken the land by force and in part because of commitments he felt were made at the Lancaster House negotiations in 1979. Authoritative sources on Lancaster House maintain, however, that the promise made by Britain was not a specific pledge to buy land but a more general offer to help fund agricultural development, land resettlement, and redistribution programs that might be undertaken by the new Zimbabwe government. (Henry Wiseman and Alastair Taylor, *From Rhodesia to Zimbabwe: the Politics of Transition*, New York, International Peace Academy, 1981.)

Nonetheless, Jeffrey Davidow, a U.S. diplomat who closely studied the negotiations, reports that Lord Carrington, the British mediator, did indicate that Britain "would be prepared to shoulder some of the financial burden" of compensating white farmers. (*A Peace in Southern Africa: the Lancaster House Conference on Rhodesia, 1979*, Boulder, Westview Press, 1979.) Davidow also reports that the Carter Administration promised assistance to Zimbabwe at Lancaster House, although the promise was "convoluted and cautious" and not linked to the purchase of white-owned land. The Administration, Davidow maintains, did not want to be accused of buying out "white landlords" on the one hand, or of "opening the U.S. treasury to land-hungry peasants" on the other. These British and U.S. promises, which Davidow describes as "undoubtedly sincere, but still vague" helped bring the talks to a successful conclusion.

1997-1998 Land Seizure Crisis

Forewarning of the current crisis came in October 1997, when President Mugabe told a political rally that his government had decided to take land needed for redistribution to poor African farmers from white commercial farmers without compensation. In November, the government published a list of 1,503 properties, totaling over 5 million hectares, for takeover. The government said it would pay for buildings and improvements on land taken, but not for the land itself – a responsibility that in Mugabe's view lay with Britain. "The demand and need for land by our people is now overwhelming," he had said in October, adding that "if the British government wants us to compensate its children, it must give us the money, or it does the compensation itself." (South African Press Agency Report, October 13, 1997.) President Mugabe raised the issue with British Prime Minister Tony Blair, reportedly seeking about $250 million for land acquisition, but the British replied that any acquisition program would have to be "open and transparent," while resettlement plans would have to be "economic" and benefit the poor – criteria the Mugabe proposal did not meet, in the British view. (British embassy statement in Zimbabwe, reported by the South African Press Agency, November 6, 1997.) The British government affirmed in December 1997, that it recognized the need for land reform in Zimbabwe, but that President Mugabe's approach "will damage the economy, undermine investor confidence, and do nothing to help the poor." (Foreign Office statement, December 10, 1997.)

The first months of 1998 were highly confused with respect to the land issue, with the government at times seeming to step back from the threat of sweeping nationalizations and at times threatening to move ahead. In June and July, poor farmers seeking land moved onto some white-owned farms as squatters, foreshadowing the vast squatter movement of 2000. Land seizures by government did not actually occur, however, perhaps because President Mugabe had come under strong international pressure to exercise restraint. Donors and international financial institutions warned that the proposed takeover program would inflict severe economic damage by deterring investors and cutting exports. The International Monetary Fund delayed a balance of payments support disbursement expected in August primarily because of concerns over Mugabe's land policy and its effect on investment.

Despite international concerns, a land reform pledging conference met in Harare in September 1998. Zimbabwe was seeking pledges sufficient to fund half of a $2.2 billion program aimed at acquiring 5 million hectares over 5 years for the resettlement of 150,000 farm families. (*The Economist*, September 5, 1998). In fact, no funds were actually pledged at the conference, but tensions between Zimbabwe and the donor community seemed to ease because an agreement was reached on a two-stage land reform process that would have donor support. In the 2-year Inception Phase, 1,000 poor, rural families were to be resettled on 25,000 to 40,000 hectares already owned by the government or to be acquired by the government from underutilized farms that had been offered for sale by their white owners. The Inception Phase would be followed by an Expansion Phase, whose scale and design would depend on lessons learned during the Inception Phase. A communique issued at the end of the conference promised that the program would be "implemented in a transparent, fair, and sustainable manner, with regard for the law," and Foreign Minister Stan Mudenge promised that there would be "no confiscators and no land-grabbers." (South African Press Agency, September 11, 1998.)

Although the plan seemed to have the support of Mudenge and other Zimbabwe officials, President Mugabe threatened major new land seizures in November 1998 and March 1999, jeopardizing donor support. Nonetheless, the Zimbabwe government presented a detailed plan for the Inception Phase in February 1999, and in May, the World Bank pledged $5 million to assist with the resettlement of poor farmers, and several bilateral donors, including the United States, made small pledges as well.

Aftermath. In subsequent months, it seemed that the land issue might recede as Zimbabwe moved forward with the donor-approved reform program. France and Japan joined other donors in offering aid to resettled farmers, and in August 1999, the IMF lifted its suspension of balance of payments support. The IMF again insisted, however, among other conditions, that land reform procedures be "fully transparent" and that fair compensation be paid to landowners. At the end of the year, Mugabe signaled the onset of new land crisis when he began to demand that changes in the constitution to be voted on in 2000 include provisions for seizing land from white farmers without compensation. In a December 21, 1999 interview, Mugabe said "Land was taken from our people during colonization without compensation, but now the British say we must pay compensation for the soil stolen from us. Where do we get the resources to pay for the land?" *(Johannesburg Independent Online*.)

Land Crisis Resumes, 2000

The land issue indeed figured heavily in the referendum on constitutional changes proposed by the government, which took place on February 12 and 13, 2000. The proposed changes included a provision, inserted at President Mugabe's insistence, empowering the government to acquire agricultural land compulsorily for resettlement without paying compensation. (*Africa News Service,* January 28, 2000.) It seemed likely that the constitutional amendments would pass, in view of the government's strong backing of the changes and its domination of the media, but in a surprise outcome, 55% of those participating voted "no." Some analysts wrote that in view of the result, President Mugabe should have recognized that his influence was waning and accepted that the time had come to retire; but instead, the referendum seemed only to energize Mugabe for a new assault on white-owned farmland. There was speculation that he was motivated in part by anger over the strong support among whites for a "no" vote and by the backing whites were giving to a new opposition party, the Movement for Democratic Change (MDC, see below).

Within days of the referendum, war veterans and other ZANU-PF supporters began to move on to white owned farms, and by May 2000, it was estimated that squatters were present at approximately 1,000 farms. In some instances, according to reports, the farm occupations were peaceful and farm work was allowed to continue. In other instances, however, white farmers were attacked and driven off their properties. The Zimbabwe police took no action to prevent the farm occupations, claiming that they lacked the capability to repel the squatters. Court orders requiring the squatters to leave were ignored. By early June, twenty-five people had been killed during the land occupation crisis, including four white farmers and several black farm workers; the killers seemed to target MDC supporters, both black and white.

A high-level Zimbabwe delegation traveled to Britain at the end of April 2000 and was told that London would provide an additional $57 million to help with land reform and other programs – and would take the lead in mobilizing additional support from the international community. But then Foreign Secretary Robin Cook insisted that no action would be taken against a background of occupations and violence, and he reaffirmed British insistence on transparency, fair compensation, good economic management, and clear benefit to the rural poor in any land reform program. (Robin Cook press conference, April 27, 2000). Mugabe's reply seemed to come on May 1, when a spokesman announced that, with parliament adjourned since April 12, the president would invoke special powers to allow the forced acquisition of white-owned land. In a May 4 speech, Mugabe said that for whites who did not cooperate, "we can assist by showing them the various ways they can leave our territory."

Pre-Election Escalation. Before the June voting, President Mugabe sharply escalated the land takeover drive. On June 2, 2000 the government listed 804 large farms for swift takeover and rapid resettlement. According to reports, as many as 100,000 poor Africans would be quickly moved onto the farms, while roads, schools, clinics and other facilities would be provided later. Owners, who were granted 30 days to file legal objections, would not be compensated for the land itself but would receive compensation for improvements to the land, such as farm buildings. How the improvements would be valued, and the form and timing of this compensation, were not made clear. President Mugabe had invoked emergency powers to enable the government to take land without compensation on May 24.

On June 7, 2000, President Mugabe indicated that he might extend the government takeover of white-owned farms beyond those already slated for seizure. If any white farmers were permitted to remain, he added, it would be through the "charity" of the government. Mugabe urged supporters to offer thanks to the Zimbabwe war veterans who had led the farm occupations. A fifth white farmer was killed, possibly in a robbery attempt, on June 2; and by the time the elections were held, it was estimated at least 30 people had been killed in attacks on farmers and African supporters of the opposition.

Elections

Elections to the 150-member parliament in Zimbabwe on June 24-25, 2000 resulted in a narrow victory for the ruling ZANU-PF, which won 62 seats. The MDC took 57 seats in the high-turnout vote, so that for the first time in the country's history, there would be a strong parliamentary opposition. Thirty appointive seats under the control of President Robert Mugabe continued to give ZANU-PF firm control of parliament, although the MDC has enough votes to block constitutional amendments. Tsvangirai did not himself win a seat but announced that he would contest the 2002 presidential election.

Key Actors in Zimbabwe Politics

Robert Mugabe, President of Zimbabwe since December 31, 1987. Born February 21, 1924; educated at a mission school and Fort Hare University, South Africa; correspondence degrees from University of London and University of South Africa; co-founder of ZANU in 1963; arrested in 1964 by white Rhodesian authorities, jailed or under house arrest for ten years; took over leadership of ZANU guerrilla movement in Mozambique, 1975; elected prime minister, 1980.

Morgan Tsvangirai, President of the MDC. Born March 10, 1952; completed secondary education; textile and mine worker; elected secretary-general Zimbabwe Congress of Trade Unions, 1988; co-founder of the MDC, September 1999.

Sources: standard references, press reports.

There has been much speculation that President Mugabe used the land issue to influence the outcome of the vote. Even though voters rejected compulsory land seizures in the February 2000 referendum, Mugabe accurately calculated, according to this speculation, that the confrontation with white landowners would solidify his support among the rural poor, war veterans, and others. Some believe that the land confrontation distracted attention from Zimbabwe's many other problems during the run-up to the election and gave Mugabe backers a rationale for attacking white farmers and farm workers who supported the MDC.

Foreign observers accept MDC allegations that the government undertook a systematic effort to prevent a free and fair election and to assure a ZANU-PF victory. Observers from the European Union and the Commonwealth of Nations refused to certify the elections as free and fair because of the violence and intimidation that preceded the voting. On May 22, 2000, the head of a delegation from the U.S.-based National Democratic Institute stated that because of a campaign of violence, intimidation, and misinformation, "the conditions for credible democratic elections do not exist in Zimbabwe at this time." ("Statement of the National Democratic Institute (NDI) Pre-Election Delegation to Zimbabwe." (Available at [http://www.ndi.org].) Rallies and demonstrations by the MDC were disrupted by police and by ZANU-PF backers, including war veterans. MDC supporters were detained by police, and as noted above, several MDC members were killed by unknown assailants. Just before the vote, the Mugabe government banned NDI, the International Republican Institute, and a team of African observers sponsored by the European Union from monitoring the vote.

Nonetheless, the MDC chose to remain in the race, evidently calculating that it would gain a substantial number of seats despite the violence and intimidation. This calculation proved to be accurate, as the party won overwhelmingly in Harare and other urban areas, while taking some rural seats as well. Party leader Morgan Tsvangirai maintains that the MDC would have won control of parliament had it not been for the violence but said that the result gave the party a base for contesting the presidency in two years and the parliament once again in five. The ability to block constitutional amendments is significant, since President Mugabe has used such amendments in the past to consolidate his power.

Movement for Democratic Change (MDC)

The MDC, founded in September 1999, poses a more serious challenge than any that ZANU-PF has faced. The party's Secretary General, Morgan Tsvangirai, is a Zimbabwe labor leader, and the party has a strong base in the country's organized labor movement. The party also seems to have backing among students and urban middle classes, who are drawn to its promises to rekindle the economy, fight corruption, and improve health care and education. In addition, the MDC supports "people driven land reform," by which it appears to mean corruption-free redistribution to genuine small farmers, with international support and compensation for farms purchased. The Mugabe government portrays the MDC as an agent of white farmers and foreign supporters, particularly in Britain.

MDC leader Tsvangirai has been formally charged with terrorism and sabotage because of remarks made in September 2000 warning that President Mugabe would be overthrown if he did not quit. Tsvangirai, who later withdrew his remarks, maintains that his indictment, which could potentially lead to a life sentence, is part of a government campaign of harassment. The case has been referred to the Zimbabwe Supreme Court for a determination on whether the colonial law under which Tsvangirai was charged violates free speech guarantees in the constitution. Observers speculate that the government may plan to entangle Tsvangirai and other MDC leaders in legal proceedings during the run-up to the presidential elections, expected in March or April 2002.

Post-Election Developments

Some analysts had expected that ZANU-PF losses in the June 2000 election would cause President Mugabe to step back from the land-takeover confrontation and seek a compromise solution. Instead, the election outcome, which Mugabe blamed on donor hostility, the western media, white farmers, churches, and others (BBC, July 22, 2000; *The Guardian*, July 27, 2000), seemed only to goad Mugabe into expanding the land takeovers. By early August, government officials were stating that more than 3,000 farms would be seized and that the army would be mobilized to rapidly resettle hundreds of thousands of poor families. They portrayed the expansion as an urgent response to a pressing need for land; but critics speculated that President Mugabe was again escalating the land confrontation in order to better position himself for the 2002 presidential election. In April 2001, it was estimated that 2,600 farms had been slated for takeover, and the government maintained that 70,000 families had been resettled on 3 million hectares of land. Government critics maintained that far fewer had actually been moved onto farm plots.

South Africa's President Thabo Mbeki warned on October 25, 2000, that "The occupation of farms must stop. They are a violation of the rule of law." (Whether President Mbeki was speaking out strongly enough on the Zimbabwe situation, however, was a subject of much debate in South Africa.) The Zimbabwe Supreme Court ruled on November 10, 2000, that the President's land resettlement policy violated fundamental constitutional rights, but the government vowed to proceed with the takeovers. On December 14, 2000, President Mugabe told a ZANU-PF Congress that "Our party must continue to strike fear in the heart of the white man, our real enemy," and vowed to continue with land takeovers regardless of any court decisions. The congress endorsed Mugabe as ZANU-PF leader, and internal critics of the president were dropped from leadership positions.

The Supreme Court ruled against "fast track" land takeovers on December 21, 2000, increasing tensions between the court and the Mugabe government. On March 2, 2001, the Chief Justice of the Zimbabwe Supreme Court, Anthony Gubbay, agreed to go on immediate leave and to retire July 1, following intense government pressure for his resignation. Gubbay had reportedly received a number of death threats.

On April 23, 2001, the International Bar Association (IBA) issued a report [http://www.ibanet.org] finding that the "rule of law in Zimbabwe is in the gravest peril" and noting "conduct committed or encouraged by Government Ministers which puts the very fabric of democracy at risk." The report, prepared by a 10-member delegation of jurists, including a Maryland U.S. District Court judge, affirmed land reform as "a legitimate and urgent aspiration of the people of Zimbabwe" to be attained "within the law and not outside it." The delegation blamed the "current situation of lawlessness" partly on a lack of condemnation by the President of Zimbabwe and other officials. Zimbabwe Information Minister Jonathan Moyo rejected the IBA findings, saying they merely repeated uncorroborated assertions.

ZANU-PF prevailed in a July 2001 parliamentary by-election in Bindura, north of Harare, as it had in the other two by-elections held since June 2000. Analysts see the Bindura vote as giving a foretaste of government strategy in the 2002 presidential election. The campaign was marked by considerable violence, and the MDC candidate was detained by police in the midst of the voting. Recently resettled farmers, reportedly including former urban dwellers, participated in the voting and probably contributed to the ZANU-PF tally.

The Minister of Land, Joseph Made, stunned a meeting of commercial farmers on August 2, 2001, by announcing that the government planned to take 8.3 million hectares of white-owned land rather than the 5 million originally announced. Analysts noted that this amount would represent about 90% of the remaining commercial farms, but there was some confusion about whether this was what Made had intended to convey. (*Financial Times*, London, August 3, 2001) A white farmer, who had been attacked earlier in the week, died of his wounds on August 7, becoming the ninth white farmer to die since the unrest began. On August 16, the editor of Zimbabwe's only independent newspaper and three journalists were charged with publishing a subversive statement. They had been arrested the day before on grounds of publishing a "false statement" alleging that Zimbabwe police vehicles had been used in the looting in the Chinoyi area. A court had overturned this charge and ordered the four released.

On August 10, 21 white farmers from Chinoyi in northern Zimbabwe were charged with assaulting resettled black farmers on August 6 and were remanded in custody. The farmers maintained that they had acted in self defense. Several white-owned farms around Chinoyi were looted and burned following the incident, and many whites fled the region, although the situation had reportedly eased by August 13.

Abuja Agreement

In September 2001, the Zimbabwe government agreed to attend a Commonwealth-sponsored summit on the situation, to be held in Abuja, capital of Nigeria. Leaders in southern Africa, who fear that the Zimbabwe crisis is discouraging investment and tourism throughout the region, had strongly urged Zimbabwe to attend, as did Nigerian President Olusegun Obasanjo. Under an agreement concluded on September 7, Zimbabwe committed itself to implementing land reform in a fair, just, and sustainable manner, with "due regard to human rights, rule of law, transparency, and democratic principles." In exchange for this pledge, Britain committed to providing a "significant financial contribution." It was understood that the funds would be used to compensate white farmers whose land was taken.

Leaders of southern Africa sought to consolidate the Abuja agreement by coming to Harare the following week to insist that it be implemented. Pressure on Mugabe from Malawi President Bakili Muluzi, chairman of the Southern Africa Development Community (SADC), and from President Mbeki, was reportedly intense. It was agreed that SADC would set up a special ministerial task force to monitor implementation of the agreement. In subsequent weeks, however, violence continued to be reported on occupied farms, and there were some reports of new farm invasions by militants. On October 2, 2001, the Zimbabwe Supreme Court, reversing its earlier course, issued a ruling permitting the government to continue with the redistribution of white-owned land. Analysts speculated that the ruling would allow the government to claim that it was indeed respecting the rule of law, as required by Abuja. Government critics argued that the decision resulted from previous government interference with an independent judiciary.

Other Current Issues

The Economy

Zimbabwe has great economic potential in view of its rich endowment of land, mineral wealth, tourism potential, and relatively high standards of education. However, the economy has performed poorly for years. GNP per capita, estimated at $920 in 1990, had fallen to $530 in 1999, according to World Bank data. The rate of growth in GDP fell to 1.5% in 1998, stood at zero in 1999, and fell by 4.5% in 2000, according to the *Economist* Intelligence Unit. A GDP decline of 6.5% is projected for 2001. The unemployment rate is estimated at 60%, and more than 60% of the population reportedly lives in poverty. (BBC report, July 24, 2001.) The annualized rate of inflation in July 2001 was estimated at 70%, and the price of bread had more than doubled since January (*Financial Times*, London, August 9, 2001). Inflation, combined with high interest rates, inhibits investment. Disbursements of World Bank loans have been suspended in part because Zimbabwe's repayments are overdue, and IMF lending is also suspended, reflecting IMF concerns over Zimbabwe's economic policies.

Foreign exchange is in very short supply, and because of this Zimbabwe suffers a severe shortage of fuels, which must be imported. On June 13, 2001, the government raised fuel prices by 70%, leading to two days of protests over resulting increases in the prices of basic commodities and of bus and taxi fares. The shortage of hard currency seems certain to continue, since the output of tobacco, the principal foreign exchange earner, is dropping due to the crisis on the farms. Tourism, an important source of revenue, has plummeted as images of conflict and confrontation in Zimbabwe have been broadcast around the world. Food shortages are now feared, because many of the farms taken over by squatters were growing produce and maize, the staple of the Zimbabwe diet, for local consumption. (Zimbabwe officials maintain, however, that maize output will increase as a result of land redistribution.) In July 2001, the government banned private sales of maize and wheat, re-instituting the maize trade monopoly of the government-owned Grain Marketing Board. Some economists fear that this move will further reduce incentives to producers and could create a parallel market where grain would be sold illicitly at high prices.

The Confederation of Zimbabwe Industries estimates that 400 businesses closed in 2000, with the loss of 10,000 jobs. President Mugabe blames the closures on a campaign by local whites to damage the economy in protest to the land takeovers. (BBC, April 18, 2001.) Actual attacks on businesses by militants and war veterans, which broke out in April 2001, appear to have subsided. Analysts typically blame the economic policies of the Mugabe government, and its failure to carry through with the reforms promised in 1991, for Zimbabwe's economic difficulties. High government spending, such as the 70% to 90% pay raises Mugabe granted civil servants and the military on the eve of the February constitutional referendum (*Financial Times*, London, January 20, 2000) comes in for particular criticism. State-owned corporations, such as the national oil company and the national electricity supplier, typically operate at losses, and this adds to the budget deficit. President Mugabe, on the other hand, blames donor-imposed economic reform programs for the country's economic difficulties, arguing that they deprived the government of the ability to influence the economy and mainly benefitted external interests together with local white-owned companies. (Speech to the Special People's Congress, December 14, 2000.)

Libyan leader Muamar al-Qadhafi is offering support to Zimbabwe's economy through a $360 million oil deal, which will reportedly see Libyan oil going to Zimbabwe in exchange for Zimbabwe exports to Libya. Qadhafi gave $100 million in aid to Zimbabwe in 2000. (Reuters report appearing in *Daily Mail and Guardian*, South Africa, July 19, 2001.) According to some press reports, President Qadhafi is seeking a stake in key sectors of the Zimbabwe economy, including agriculture and tourism, in exchange for his support.

Congo Intervention

Zimbabwe's deployment of 10,000 or more troops to support the government of President Laurent Kabila in the Democratic Republic of the Congo is often cited as a particularly costly drain on Zimbabwe's resources. Finance Minister Simba Makoni, regarded as a pragmatist, told parliament on August 30, 2000, that the war in Congo had cost the government $200 million over two years. (Other estimates are considerably higher. BBC report, January 20, 2000.) Makoni warned that Zimbabwe's economy could not withstand this level of expenditure and said the government was committed to bringing the troops home "at the earliest opportunity." Some reports have claimed that a few well-connected Zimbabwe business people, and perhaps elements of the military, are enriching themselves through the Congo war. ("Ruthless Backers for Congo Diamond Mine," *Financial Times*, London, May 27, 2000.) President Mugabe and other Zimbabwe officials explain the Congo deployment as a contribution to regional peacekeeping and stability and maintain that Zimbabwe's troops will leave once a United Nations peacekeeping force is deployed. (On the Congo conflict, see CRS Report RL31080, *Democratic Republic of the Congo: Peace Process and Background*.)

HIV/AIDS

Zimbabwe, according to United Nations data, has the third highest HIV infection rate in the world, with more than 25% of working-age adults testing positive for the virus. (See CRS Issue Brief IB10050, *AIDS in Africa*). Because of AIDS, the rate of population increase is expected to be zero in 2002, and the population will begin to decline in 2003. According to the Zimbabwe Health Minister, AIDS-related deaths totaled 100,000 in 2000, (BBC, June 3, 2001), and a June 2001 UNICEF report predicts that life expectancy, now 44 years, could fall to 27 in a decade. (Zimbabwe officials dispute the UNICEF prediction.) Without AIDS life expectancy would have been 70 in 2010. In Harare, the capital, 240 of the 340 people who die each day die of AIDS-related diseases, according to government data, while the number of AIDS orphans nationwide has reached 600,000. (*The Independent*, London, February 10, 2000). Widespread illness is reported in the communal areas, where many households are headed by children or the elderly.

President Mugabe, in public speeches and interviews, acknowledges HIV/AIDS as one of the challenges Zimbabwe faces, among other challenges, but he seems to have given land, the Congo intervention, and other issues higher priorities on his policy agenda. In January 2000, the government introduced a special payroll tax known as the "AIDS levy" to fund AIDS programs. Labor unions and others strenuously opposed the levy, charging that the funds would likely be diverted to some other purpose, and by May 2000, AIDS activists were protesting what they maintained was a large discrepancy between the amount raised through the levy and the amount actually going to AIDS projects. In July 2000, however, the chairman of the AIDS Levy Fund claimed that the fund was benefitting millions.

Relations with Britain

President Mugabe has long blamed many of Zimbabwe's problems, most notably the inequity in the distribution of land, on Britain; but his relations with the government of Prime

Minister Tony Blair are particularly poor. Mugabe is angry with the Blair government for its refusal to offer unconditional financing for his land redistribution program, but he has also launched a number of personal verbal attacks against Blair and members of his cabinet. These seem to stem in part from an incident in November 1999, when British gay activists attempted a citizens arrest of Mugabe, who was visiting London. Mugabe, who is outspokenly anti-gay, was deeply outraged and blamed the Blair government for failing to prevent the attack. Britain has reportedly made arrangements to receive as many as 20,000 refugees from Zimbabwe if necessary, but the number eligible for British passports may be significantly larger, since Britain grants this right to people whose parents or grandparents were U.K. citizens.

U.S. Policy

U.S. policymakers once saw Zimbabwe as a source of stability in southern Africa, as a valued contributor to regional peacekeeping, and as an emerging customer for U.S. exports. (See, for example, U.S. Agency for International Development (USAID) Congressional Presentation statements on Zimbabwe, FY1997 and FY1998, as well as earlier presentations.) It was already clear in the later 1990s, however, that concerns over Zimbabwe's slow progress in economic reform, and over the political situation, were increasing.

Clinton Administration officials were highly critical of the land takeovers and political violence in Zimbabwe, and criticism of Zimbabwe has continued in the Bush Administration. At a speech in South Africa on May 25, 2001, Secretary of State Colin Powell said that Mugabe seems reluctant to "submit to the law and the will of the people" and called on the Zimbabwe leader to permit a free and fair election. The Assistant Secretary of State for African Affairs, Walter Kansteiner, told the Senate Foreign Relations Committee on June 28, that "while the United States desires open and friendly relations with Zimbabwe, we cannot have normal relations until the violence and intimidation are ended, and the rule of law restored." Kansteiner added that the Administration would work with Congress to try to persuade President Mugabe to permit an open and fair election in 2002.

Table 1. U.S. Assistance to Zimbabwe

(Actual Appropriation, $ millions)

	FY1998	**FY1999**	**FY2000**	**FY2001 Estimate**	**FY2002 Request**
DA	11.850	8.800	12.127	12.822	12.273
ESF	.055	–	–	–	
Peace Corps	1.391	1.626	1.640	.987	1.161
IMET	.336	.299	.300		.050
Total	13.632	10.725	14.067	13.809	13.484

Source: USAID. DA=Development Assistance (including Child Survival aid), ESF=Economic Support Fund, IMET=International Military Education and Training. For more information, see CRS Issue Brief IB95052, *Africa: U.S. Foreign Assistance Issues.*

U.S. assistance to Zimbabwe, which exceeded $32 million in FY1995, dropped substantially in the second half of the decade (see **Table 1**). Nonetheless, a limited assistance program continues, targeted on programs and non-governmental organizations seeking to strengthen democracy, raise living standards among the poor, and fight the AIDS epidemic. The U.S. Agency for International Development (USAID) maintains that its programs are helping to preserve the foundation of Zimbabwe's economy, so that there can be a quick recovery if a credible political transition occurs. (USAID FY2002 *Budget Justification to Congress*.)

In June 2000, the Senate passed S. 2677, the Zimbabwe Democracy Act of 2000, which criticized the government of Zimbabwe and ZANU-PF for pre-election violence and imposed certain sanctions. The bill, which was not taken up by the House, was heavily criticized by Zimbabwe officials – indeed, Foreign Minister Mudenge called it an attempt to "recolonize" Africa (*Africa News,* August 4, 2000) that might require emergency measures in response. Supporters of the legislation argued that enactment would have sent a clear message to President Mugabe and the people of Zimbabwe with respect to the U.S. position on democracy, the rule of law, and the need for a sound economic policy.

On August 1, 2001, the Senate passed a new bill, the Zimbabwe Democracy and Economic Recovery Act of 2001 (S. 494), which was referred to the House on August 2. Subject to a presidential waiver, this bill would have the effect of requiring the United States to support the continued suspension of lending to Zimbabwe by the World Bank and the IMF. However, if the President certified that the rule of law had been restored and that progress was being made in democratization, the United States would support a resumption of lending and provide other support for the Zimbabwe economy. The bill would authorize assistance for democracy and governance programs, and it calls for consultations with other governments on sanctions targeted specifically at Zimbabwe leaders responsible for the breakdown of the rule of law. The version of the Foreign Operations Appropriations (H.R. 2506) reported in the Senate would require the United States to oppose loans to Zimbabwe by international financial institutions unless the Secretary of State certifies that the rule of law has been restored. (For details, see **Legislation** section.)

Zimbabwe officials have repeatedly issued dire warnings of a further curtailment of civil liberties if sanctions are imposed by the United States or the European Union, which is considering selective sanctions directed against Zimbabwe government figures. A cabinet minister reportedly told the BBC in August 2001 that the government would have "no choice but to declare a state of emergency if we are under sanctions." (BBC report, August 20, 2001) MDC leader Tsvangirai said on August 16 that he favors targeted sanctions that would, for example, prevent foreign travel by government leaders or freeze their overseas assets. Tsvangirai said he opposed sanctions that might further damage the economy.

Legislation

H.R. 2506 (Kolbe/Leahy)

Foreign Operations Appropriations. House report language was highly critical of the breakdown of the rule of the law in Zimbabwe; Sec. 520 of the House-passed version states that none of the funds appropriated by the Act shall be obligated for Zimbabwe except through regular notification procedures. Report language in the Senate-reported version was also highly critical of Zimbabwe. This version requires that International Military Education and Training (IMET) funds for Zimbabwe be available only for "expanded" IMET, which promotes civilian control of the military and respect for human rights; parallels the House-passed version in Sec. 520; and requires in Sec. 557 that in international financial institutions, the United States vote against loans to the government of Zimbabwe except to meet basic human needs or promote democracy. The Secretary of State may waive this provision if he certifies that the rule of law, including respect for ownership and title to property, as well as freedom or speech and association, has been restored. H.R. 2506 was reported (H.Rept. 107-42) in the House on July 17, 2001. Passed the House (381-46), July 24, 2001; reported in the Senate (S.Rept. 107-58), September 4.

S. 494 (Frist)

Zimbabwe Democracy and Economic Recovery Act of 2001. Provides for a review of debt reduction for Zimbabwe, U.S. support for assistance from international financial institutions, and the establishment of a U.S. finance center to facilitate development and commercial projects in Zimbabwe, if the President issues a certification. The certification is to specify that the rule of law has been restored in Zimbabwe; that a presidential election widely accepted as free and fair has been held – or that Zimbabwe has improved the pre-election environment consistent with international standards; that the Zimbabwe government has demonstrated a commitment to equitable, legal, and transparent land reform; that it is making a good faith effort to implement the Lusaka peace plan for the Democratic Republic of Congo; and that state security forces are serving the elected civilian government. In the absence of a certification, the United States is to oppose loans or debt forgiveness for Zimbabwe by international financial institutions, but this provision may be waived by the President in the national interest. Authorizes $20 million for the support of equitable, legal, and transparent mechanisms of land reform; authorizes $6 million for the support of democracy and governance programs; states the sense of Congress that the President should begin consultations with appropriate foreign countries on identifying individuals responsible for the breakdown of the rule of law in Zimbabwe, identifying their assets, and implementing travel and economic sanctions against those individuals and their associates and families. Introduced on March 8, 2001; reported by the Committee on Foreign Relations, without written report, on July 16. Passed the Senate, amended, August 1. Received in the House and referred to the Committees on Financial Services and International Relations, August 2.