# **POLICY BRIEF**

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# REBUILDING ZIMBABWE: AUSTRALIA'S ROLE IN SUPPORTING THE TRANSITION

# WHAT IS THE PROBLEM?

What should Australia do to assist Zimbabwe's re-emergence? In March 2009, Australia became the first major donor country to provide assistance to the new power-sharing government in Zimbabwe. Given the pervading influence of hardline elements, many doubt the merits and viability of the 'inclusive government'. Ought Australia continue its support, accepting the risk of buttressing Mugabe and his regime? Or should Australia stand back and maintain pressure for a more acceptable government – at the risk of contributing to the inclusive government's failure?

### WHAT SHOULD BE DONE?

Despite the substantial risks, external assistance now can help sustain momentum for reform, and sustain public belief in a post-Mugabe era. Aid can be managed to avoid reinforcing the position of ZANU-PF elites. Engagement with Zimbabwe can provide lessons for Australia's development assistance in Africa and elsewhere, including policy lessons on aid engagement during sensitive political transitions.

Having affirmed its support for the fragile recovery process in Zimbabwe, Australia should continue its assistance in select areas where it has a comparative advantage, but should be highly innovative within these niche areas. Australia should expand its support to food security among small-scale farmers, with a focus on enabling a transition from food aid to self-sufficiency. A commitment to rebuilding Zimbabwe's human capital through redevelopment of agricultural extension colleges would presage the country's reemergence and demonstrate a longer-term commitment beyond the immediate phase. The Lowy Institute for International Policy is an independent international policy think tank. Its mandate ranges across all the dimensions of international policy debate in Australia - economic, political and strategic - and it is not limited to a particular geographic region. Its two core tasks are to:

- produce distinctive research and fresh policy options for Australia's international policy and to contribute to the wider international debate.
- promote discussion of Australia's role in the world by providing an accessible and highquality forum for discussion of Australian international relations through debates, seminars, lectures, dialogues and conferences.

Lowy Institute Policy Briefs are designed to address a particular, current policy issue and to suggest solutions. They are deliberately prescriptive, specifically addressing two questions: What is the problem? What should be done?

The views expressed in this paper are entirely the authors' own and not those of the Lowy Institute for International Policy.

# The context: Zimbabwe's 'transition' 2008-2010

Zimbabwe's long night is by no means over. Nearly a year after the violent and disputed March 2008 elections, and months after the September signing of a 'Global Political Agreement' with the ruling ZANU-PF party, the main faction of the Movement for Democratic Change (MDC) agreed in February to take part in a coalition government in which its leader, Morgan Tsvangirai, became Prime Minister.<sup>1</sup> The state apparatus in Zimbabwe is currently shared uneasily by reformers and reactionaries with each of the MDC and ZANU-PF having half of the cabinet seats. Hardline ZANU-PF elements remain in government and control the security services, and a quiet but intense power struggle continues.

As this new political order beds down - and while human rights violations continue and remain unaddressed - the challenges faced by the new government are formidable. Zimbabwe's economy and its health and education systems had collapsed by early 2009. The economy has shrunk by 40% since 1998 and unemployment remains at an estimated 90%. While the autumn harvest was better than expected, the food security situation is dire. Up to three quarters of the population (some seven million people) remain dependent on food aid, while millions have left the country. In a country already wracked by HIV and AIDS, malaria and other diseases including cholera, Zimbabwe struggles to pay the few trained medical professionals that have not left the country. There is a huge shortage of basic medical goods. The same issues affect the schooling system – once the pride of Africa – with teachers unpaid and many schools closed.

The coalition government's Short Term Emergency Recovery Program (STERP) focuses on humanitarian assistance and short-term food security, the education system, and health system.<sup>2</sup> There are positive signs emerging. While draconian media and assembly laws remain in place, the BBC and CNN have returned. Macro-economic management measures have been put in place by the MDCcontrolled finance ministry. Hugely destabilising inflation has been tackled by abandoning the local currency for the US dollar and South African Rand. Food prices continue to drop and supplies increase (although for many Zimbabweans processed staples remain out of reach). The IMF recently noted that as 'a result of improvements in new economic policies, a nascent recovery appears to be underway',<sup>3</sup> but concerns do remain over governance of its Reserve Bank. Zimbabwe has sought over US\$8 billion for recovery, at least US\$2 billion of it urgently.

### The dilemma for donors

After the new deal was agreed in February, Australia was the first major donor to reengage, but with Mugabe still in power, most assistance remains tentative and donor narrowly focused. There continues to be, as the International Crisis Group (ICG) pointed out earlier this year, 'considerable international about whether the scepticism' political arrangement can succeed overall.<sup>4</sup> Australia has been careful on a number of occasions to describe the current administration as a 'socalled' inclusive government, and that it is



'under no illusions' about the fragility of the arrangement and the serious political compromise it represents with hardline elements of ZANU-PF.<sup>5</sup> A commentator warned in April that aid given directly to government ministries at present 'feeds only crocodiles'.<sup>6</sup>

Tsvangirai recently told the ICG that 'anything positive that comes from this government will be credited to us, and equally the negatives, so we have no choice but to get this inclusive government to deliver. People want the dividend from the inclusive government, and they will demand it from us, not from ZANU-PF.<sup>37</sup> In this context, countries such as Australia that have called for Mugabe to step down, that maintain principled objections to the regime, and that support sanctions against the ZANU-PF leadership continue to struggle with an overarching and crucial dilemma:

Does one stand back and maintain pressure for a genuine government rid of hardline elements (in so doing making the failure of the inclusive government almost inevitable) or does one support the partnership government accepting the risks?<sup>8</sup>

Most donors accept that the cost of inaction outweighs the risks of supporting the powersharing government. The overwhelming consensus is that the MDC itself had no real alternative but to join a coalition with Mugabe.<sup>9</sup> Similarly, there is a consensus that the present arrangement represents the best chance yet for Zimbabwe to emerge from the political, economic and human catastrophes of the past decade. As the Australian government clearly decided earlier this year, it is possible to find a middle road and engage in some aspects of assistance to Zimbabweans, in support of the momentum for reform but with eyes wide open to the evolving, highly compromised political situation. There is no utility in standing by and watching the country fail altogether.

Indeed, the consequence of failure is dire. As Erik Solheim, Norway's Minister of International Development, stated in May:

When people who have risked their lives for democracy in Zimbabwe ask us to provide help, we have an obligation to do so. If we fail to support those who are fighting for change now, Zimbabwe could become a new Somalia. That is a chance neither Zimbabwe nor the rest of the world can take.<sup>10</sup>

With a targeted, responsible and responsive aid strategy, the needs and opportunities outweigh the political risks of donor engagement for Australia.

#### Why does Zimbabwe matter to Australia?

For many Australians, much of Africa seems broken, and its leaders unable or unwilling to help their people:<sup>11</sup> why should Australia contribute to helping 'fix' any of this, and why help Zimbabwe in particular? A previous Lowy Institute Policy Brief set out a number of which provide justification for reasons increased Australian attention to Africa.<sup>12</sup> Based on these and other factors, there are many reasons why Australian assistance to Zimbabwe makes for good policy:

#### Importance of success

Mugabe won't last forever. A strong transition bringing some economic recovery and the restoration of basic social services would increase Zimbabweans' confidence in taking a natural step forward towards a democratic, post-Mugabe situation. Success by the powersharing government is likely to be perceived as the success of reformists. Without tangible results for ordinary people, both the progress to date and the chances for change might be lost.

#### Aid imperative and need

As a matter of principle, there is an urgent and particularly acute need for assistance to Zimbabwe from stable and prosperous countries such as Australia. Australia has rightly affirmed its commitment to partnering with developing nations to achieve the Millennium Development Goals (MDGs). Australia has recently substantially increased its aid to Africa, and Zimbabwe is one of those in greatest need, with millions suffering from hunger and with education and health indicators rapidly backtracking.<sup>13</sup>

#### Australia's history with Zimbabwe

Australia has a particular historical connection to Zimbabwe that it lacks with many other African countries. Prime Minister Malcolm Fraser was a key player in the birth of Zimbabwe in 1980 and, in recent years, Australia has been vocal and explicit in supporting change.<sup>14</sup> In view of this record, Australia has a responsibility to support efforts toward a better Zimbabwe at this time.

# Australia as a credible positive international citizen

The Rudd government is increasingly presenting an image of Australia as a

principled, positive 'middle power' and constructive engagement with Africa is a viable component of that effort. A well-crafted programme of assistance to Zimbabwe now – based on firm clear principles – will contribute to this overall endeavour. African support will also be vital to Australia's bid for a temporary UN Security Council seat.<sup>15 16</sup> In these respects, and particularly given its criticism of Mugabe and early support to the transition, Australia's credibility in Africa is partly at stake now.

### Contribution to regional peace and prosperity

Historically, Zimbabwe has had a disproportionate influence on the peace and prosperity (or otherwise) of the wider region. Given its excellent human and natural resources, Zimbabwe can once again be an African success story and serve as a significant addition to regional growth and development, which is in line with Australia's trade and diplomatic interests.

# Africans – including Zimbabweans – in Australia

There are at least 20,000 persons of Zimbabwean origin now living in Australia approximately half of whom have arrived since 2001.<sup>17</sup> A number of high-profile Zimbabweans have relied on some form of sanctuary in Australia during troubled times at home. This includes two members of the MDC cabinet links to Australia. These with strong communities and networks are both а constituency and a resource for mobilising governmental and non-governmental assistance.

# Mining and other opportunities for Australian firms

It is not inappropriate for Australia's international policies, including aid, to have as a secondary goal improving the image of Australia and awareness of what it offers, in countries where Australian private firms operate or may seek to operate. In light of billions of dollars of existing Australian investment in Africa,<sup>18</sup> it is logical for the Australian government to engage more substantially in Africa. Zimbabwe still has considerable mineral wealth. While difficult title, contract review and governance issues will persist in the mining sector for some time, Australian companies would benefit from any general goodwill towards Australia from future administrations and the wider public. In the longer term, Australian investment and job creation could help bring a vital economic dividend to the peace.

# Opportunity for innovation and impact in Australian aid

The bulk of Australia's aid programme and attention is understandably focused on South East Asia and the Pacific. In this light, and because it is directly relevant to what we suggest should inform Australia's engagement in 'transitional' Zimbabwe, it is useful to recall what the 2008 Lowy Institute *Policy Brief* called the 'most significant' reason for reengagement in Africa. This is particularly applicable in relation to Zimbabwe:

Engagement in Africa allows AusAID and Australia to be innovators... to focus on interesting, but important, new areas that are not addressed by the larger, established donors and institutions. This represents an opportunity for Australia to show its creativity and innovation, its lack of institutional and historical biases, and to work with African partners to find new solutions to long-standing problems... [this] flexibility can serve Australia's overall aid programme by instilling more dynamism and creativity into AusAID and other aid mechanisms. Lessons derived from these creative models can be adapted and used in the Pacific and Southeast Asia where appropriate.<sup>19</sup>

As the report stated, Australian aid to Zimbabwe (and other African countries) is a chance for it to 'find areas of comparative advantage where Australia can contribute something innovative, rather than duplicating or minimally adding to other larger efforts.' If Australia's donations to others' programmes were substantial, it might make sense to direct assistance that way. However, while every bit helps, making small mostly anonymous donations deprives Australia of influence, and of the opportunity to showcase (and in turn stimulate) Australian technical innovation and world-leading research in agriculture and other areas.<sup>20</sup> Assistance to Zimbabwe can result in useful policy lessons on assistance and principled engagement in other transitional or uncertain political environments of concern to Australia, such as Fiji.

Australia has consistently publicly stated that Zimbabwe is important: at the time of Tsvangirai's inauguration, Australia publicly reinforced its commitment to supporting the Prime Minister and his Ministers to rebuild Zimbabwe.<sup>21</sup> In March 2009, it publicly showed an early lead by being the first major bilateral donor to restart funding to

Zimbabwean programmes. Therefore, the issues for Australia in Zimbabwe now arguably revolve more around the 'how' of assistance than the 'why' or 'when'. The remainder of this paper focuses on how Australia should design its assistance.

# What are others currently doing to assist Zimbabwe?

Over the past few months, Mugabe, Tsvangirai and Finance Minister Tendai Biti have all been actively seeking financial support from bilateral and multilateral donors. These leaders have stated that Zimbabwe needs US\$8 billion to rebuild the country. The United Nations, through its Consolidated Appeals Process, has requested US\$781 million for high-priority assistance for agriculture, education, health, and water and sanitation activities.

Having tried all year to get donors to see the inevitability of working with Mugabe (and the benefits of this), in mid-2009 Tsvangirai embarked on a multi-country trip seeking to raise funding for recovery with stops in Scandinavia, the US and UK.<sup>22</sup> After a meeting with Tsvangirai in Washington in June, President Obama announced US\$73m in aid for Zimbabwe intended for rule of law programmes, health and education.<sup>23</sup> The UK has committed about £60m in humanitarian aid. Part of this support has been committed to helping to pay for nurses' salaries to encourage them to return to work. Norway, an important contributor to Zimbabwe since independence, which had discontinued its support in 2000, increased its non-budgetary aid in May to nearly US\$15 million.<sup>24</sup> Mid-year the German government announced a US\$35 million package, directed like donor many contributions towards water sanitation and increasing seed stocks for the forthcoming season. Denmark offered US\$22 million but Sweden declined to provide extra funding. The EU recently injected an additional €7.5 million into an education sponsorship fund while retaining targeted sanctions on Zimbabwean individuals until further political progress is seen. China, which has supported Mugabe since the 1970s, has given at least US\$10 million in aid-related assistance. Zimbabwe was given a US\$22 million grant from the World Bank and in early September 2009, the International Monetary Fund upgraded its level of engagement with Zimbabwe by providing a US\$400 million loan.

These commitments have, however, almost all directed through United been Nations organisations such as the World Food Programme or through non-governmental organisations (NGOs) rather than through government systems. The total amount offered pales in comparison to the expressed need. The Zimbabwean government needs US\$100 million per month to provide basic functions including payment of civil servants but only receives US\$20 million a month in revenues. Only South Africa has given direct budgetary assistance.

### What is Australia already doing to help?

Australia was the first major donor country to re-engage substantially in Zimbabwe by offering support to the new power-sharing government. Until March 2009, Australia's assistance to Zimbabwe had mostly been limited to humanitarian food aid, most of it



channelled through the UN World Food Programme. On 11 March 2009, Foreign Minister Stephen Smith announced Australia would provide A\$10 million for the Zimbabwe government to restore basic water, sanitation and health services: A\$5 million to go through UNICEF for water treatment chemicals in response to the cholera epidemic, while the other half of the funding was for payments to health workers, to help kick-start the resumption of essential medical services.

The expansion in Australian assistance was, Smith said, 'to support efforts by Prime Minister Tsvangirai and his ministers to bring sustainable and long-term improvements to the lives of Zimbabweans.' The government stated that it recognised the risks in this approach and was 'under no illusions about the fragility of the political situation in Zimbabwe.<sup>25</sup> On 25 May 2009, Smith announced a further A\$6 million in assistance,<sup>26</sup> bringing the total of Australia's aid for Zimbabwe in 2008-09 to over A\$40 million. Smith noted that Australia would 'continue to look at what more we can do.' On 15 September 2009, Minister Smith told Parliament that an extra A\$8 million would be provided mainly towards food security.

It is important to note that the wider context for enhanced Australian support to Zimbabwe is the increased Australian engagement both in Africa as a whole, and in terms overall of its significant public commitment to increasing overseas development assistance (ODA) as a percentage of Gross National Income (GNI). Australian programmed aid to Africa in 2009-10 is set to increase 75% in real terms over the 2008-09 allocation and Australia has committed to increasing its overall allocation to aid from 0.3% of GNI in 2006-7 to 0.5% by 2015-16.  $^{\scriptscriptstyle 27}$ 

#### What could or should Australia be doing?

Australian assistance to Zimbabwe should be guided by the following overarching principles and characteristics:

- The 2008 Lowy Institute Policy Brief considered how Australia can make a unique contribution to the future of African development and these same principles apply Australia's engagement in to Zimbabwe now and in the longer term: leveraging areas where Australia's acknowledged experience and expertise enable it to make a noticeable difference.<sup>28</sup> The comparatively small scale of Australian engagement in Zimbabwe suggests innovation, relative boldness and a pursuit of niche capabilities.
- Niche interventions would not mean Australia is out of sync with other donors. Australia should continue to pursue maximum harmonisation with other donors to limit duplication and strain on host capacity, in terms of the *Paris Declaration* on Aid Effectiveness to which Australia is a signatory and which guides Australian aid activities.<sup>29</sup>
- Australian support to Zimbabwe, beyond being in harmony with other donors, needs to be responsive to the needs of Zimbabwean stakeholders including government and civil society. Especially at this fragile time of transition and with a legacy of Mugabe accusations of neo-

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colonialism, consultation with Zimbabweans is highly important in determining priorities.

- Part of the answer to what Australia can do ensure the greatest impact to on Zimbabwe's re-emergence lies in recognising that Australia, while significant, is by no means the biggest donor and will be less so as major donors to Zimbabwe come fully on-stream. Although it is justifiable for Australia to choose to simply contribute to a UN agency, World Bank or other country donors' existing programmes, part of the answer lies in finding areas that other donors may be neglecting and on which Australia holds a comparative advantage.
- Although it is impossible to ignore immediate needs and the political future remains unclear, nevertheless Australian efforts should 'plan for success' and begin to be tied to a longer-term strategy of development assistance that enhances local capacity.<sup>30</sup> Engagements that have longerterm timelines will have the added advantage of demonstrating a more firm commitment and faith in Zimbabwe's recovery that the predominant short-term cautious assistance favoured by most donors cannot. Australia should be prepared for some failures and setbacks in this complex and politically fraught environment. As Tsvangirai recently conceded: 'this is not a revolution – it is an evolution.<sup>31</sup>
- Though the reasons for caution are clear in this regard, Australia should seek to deliver at least some of its assistance through government systems, particularly where there are opportunities to support pro-

reform elements. While a considerable number of UN and NGO programmes already work closely with government, directing assistance through government systems can strengthen the government to assist it to take on development challenges in a sustainable fashion – the ultimate goal of development assistance.

Based on these principles, a number of recommendations for most appropriate Australian engagement emerge. What follows is not intended as a 'shopping list' but rather a targeted list taking into account the scale of Australia's support and its particular strengths.

#### Agriculture and Food Security

Zimbabwe was once the 'breadbasket' of southern Africa, exporting to its neighbours and overseas, and the country's overall recovery is almost certainly doomed without the restoration of strong, sustainable and efficient agricultural production, both commercial. subsistence and Improved agriculture stimulate domestic can the economy, create employment and address food security. Australia can provide substantial assistance in this regard.<sup>32</sup> Support in this area fits within Australia's world-recognised expertise and within its three pillars of support to Africa as expressed in the 2009-10 budget (food security, training and education, and Zimbabwe).33

In the *short term*, the focus should be on providing seeds, fertiliser and equipment, and technical advice to small-scale farmers in order to move from the present unsustainable food aid situation, to self-sufficiency in staple crops as soon as possible. With good soils and

existing expertise, Zimbabwe's peasant farmers can feed themselves, but they require assistance with critical agricultural inputs that have not been easily available over the past few years. The UN estimates that 600,000 families urgently require key agricultural inputs.<sup>34</sup> CARE and other NGOs are already providing some modest support to small-scale farmers by providing seed and fertiliser. Australia should focus on this sort of support as part of its larger continent-wide commitment to increasing food security and driving sustainability.<sup>35</sup>

In the medium to longer term there is a particular niche for Australian assistance. A specific initiative leveraging Australian expertise and funding might be to help restart the Gwebi and Chibero Agricultural Colleges, many of which produced Zimbabwe's agricultural extension workers. Australian domestically-developed expertise and research on drought management, suitable dry-land cereals, pest-resistant crops and other issues would be most helpful to Zimbabwe. The mechanisms for this assistance already exist through the Australian Centre for International Agricultural Research (ACIAR). Despite the obvious agricultural synergies between Australia and Africa, only 1% of ACIAR's budget is directed to Africa and all of that to South Africa. A plan to support agricultural education in Zimbabwe would demonstrate a longer-term commitment rebuilding to Zimbabwean human resource capacity for the future rather than just the short-term humanitarian assistance favoured by some donors. Additionally, it fits into Australia's commitment to support training and education in Africa.

Australia should seek, including through private or corporate farming ventures, to assist Zimbabwe to regain its strong agricultural industry. Commercial agriculture is extremely important to Zimbabwe's future, but also highly contentious. Due to the history of land seizures and the messy map of land ownership in Zimbabwe, involvement in the revival of commercial farming in Zimbabwe raises complex political issues: there is no obvious avenue for Australian input in the absence of greater clarity on Zimbabwean land policy.

### Public health

Over the past few months, Australia has earmarked a considerable proportion of its funds for sanitation and water supply, and for salaries for nurses and other health workers. Assistance to both of these areas is commendable and appropriate and ought to remain a component of Australian assistance in the short term only. Funding of salaries has the added advantage of being able to be channelled through government mechanisms, even though all acknowledge that funding of salaries is not sustainable well into the future. The needs in the health sector in Zimbabwe are immense and Australia's level of assistance - being overall in the range of \$40 million - is not sufficient address the multi-faceted to challenges. Therefore, Australia funding to public health should be phased out especially as other donors come on board.

### Education and training

While the health system has understandably received priority attention, there is an urgent need to fund teachers' salaries and basic school materials, before a whole generation

experiences complete educational disruption, thus fundamentally undermining any hopes for future stability. However, if Australia stretches its assistance too thinly, it will limit its impact in all areas. The scale of funding needed to support teachers' salaries is likely to be beyond Australia's the scope of current aid commitment to Zimbabwe and would require greater funding from the World Bank or a comparable institution. Therefore, direct assistance to the education sector is not recommended.

There are, however, opportunities for engagement by the education sector in Australia. AusAID's growing postgraduate should scholarship scheme include an allocation for Zimbabwe. There are strong possibilities for university exchanges and partnerships at the initiative of Australian institutions, for example encouraging Australian academics to take sabbaticals in Zimbabwe or developing collaborative research to rebuild Zimbabwean academic capacity. There are clear synergies with the proposed support to agricultural extension colleges as well as in building Zimbabwean capacity in the mining sector. Such efforts would also boost the image of Australia in the eyes of Zimbabweans.

#### Sport

Social cohesion has been degraded badly in Zimbabwe through years of tension and violence. Although well-intentioned suggestions for reviving sporting and cultural links with Zimbabwe can sometimes appear to mock peoples' current hunger and suffering, thought should be given to ways for the Australian sporting community – and the community at large – to show goodwill towards Zimbabweans and show confidence in their efforts to rebuild their society. Sporting activities can also provide relief from the task of reconstruction, and diversion for unemployed youth.<sup>36</sup>

There is a good case for Australian involvement in the provision of sporting equipment, coaching and other assistance, and for sporting tours by school, club and state teams to strengthen the interpersonal links between the two countries. In the short term, in view of discomfort over the Mugabe regime's control of the Zimbabwe Cricket Union and other sporting bodies (but at the risk of partisanship), tours could be cast as 'Prime Minister's Invitation' events. For example, in order to support Tsvangirai and to strengthen the government's social credibility, Cricket Australia might consider sending an Australian Prime Minister's XI to Zimbabwe to play a Zimbabwean Prime Minister's XI, perhaps with the proceeds going to ongoing water and sanitation or food security efforts. This would represent a significant change, as Australia has refused to tour Zimbabwe in the recent past. As Senator Chris Back recently stated: 'do not underestimate the value of cricket in mending relationships."37

Other possibilities include Football Australia basing itself in Zimbabwe (perhaps with a friendly game) for some or all of its preparation for the 2010 World Cup in neighbouring South Africa.<sup>38</sup> These efforts would send a signal to ordinary Zimbabweans that Australia and Australians are committed to rebuilding social and political relationships between the two nations and can symbolise the return of Zimbabwe to the community of nations.

Similarly, in the *long term*, a revival of formal sporting tours can serve to recognise political progress in the country.

# Microfinance, mining and private sector development

There is often a focus on assistance to formal government and civil society organisations in fragile and recovering countries at the expense of exploring imaginative ways to harness the resources and dynamism of the private business sector.<sup>39</sup> In the medium to longer term, the Australian government might consider how it can help, where appropriate, to publicise and facilitate responsible Australian private sector investment in Zimbabwe, in particular in the mining and mining service, agriculture and tourism sectors, including through export credit guarantee facilities. While structural or concerns remain, the time for scoping such possibilities has already arrived. The Zimbabwe-Australia Business Council was established in 1994 and perhaps a revitalised version could play a role in rebuilding private sector links for mutual benefit.

It is important to stimulate the local private sector in countries such as Zimbabwe. Such programmes need not wait until some notional stable future, and the 'private sector' does not just mean large capital-intensive operations small enterprises can be the engines of self-Australian technical recovery. expertise, AusAID assistance for microfinance schemes (especially women's cooperative schemes), and philanthropic engagement can all contribute tangibly to building economic momentum in Zimbabwe. Australian organisations could also consider how mentoring, networking or funding schemes might assist the women of Zimbabwe, whose entrepreneurship, courage and stamina have been a major unsung factor in the country's survival to date. Women and girls are critical to Zimbabwe's recovery and efforts to support microfinance initiatives would be appropriate.

# The political process and governance mechanisms

This paper has not focused on political strategies for the Australian government, including its sanctions policy. The task of political reform is daunting, requiring humility in what Australian - or any - external assistance can achieve. The parliament is one area where 'space' for potential change exists and where robust political exchange can still make some difference in Zimbabwe. In the medium term. Australia might give consideration to boosting the legislative and oversight capacity and confidence of Zimbabwean parliamentarians and support staff from all parties, especially in their committee systems. This could be done, for instance, through support to the Commonwealth Parliamentarians Association, which has strong experience in reform efforts.<sup>40</sup> Additionally, Australia should follow the lead of a number of other developed countries in amending its travel warning on Zimbabwe now that the risk of political violence has lessened. The tourism sector was a significant component of the economy and the country could benefit from travel flows into the region around the 2010 World Cup soccer in South Africa.

### Zimbabweans in Australia

There are over 20,000 Zimbabweans in Australia, and many more South Africans with

strong affection for Zimbabwe. These groups should consider how they can galvanise support in general in terms of donations to existing programmes, direct and indirect involvement in some of the schemes suggested in this paper, and other initiatives. The Australian government should facilitate such processes, including through convening an ad-hoc council for these purposes. Experience in other postconflict countries reveals that such 'diaspora' action can have a 'force multiplier' effect on formal aid schemes.<sup>41</sup>

#### Conclusion

The power-sharing government is in a precarious position. Its success depends heavily on support from partners who understandably remain extremely cautious. Reformers, mainly in the MDC, have staked their reputations on their ability to engender progress. The MDC's Biti has asserted, in response to donors demanding democratic progress before engagement, that 'our capacity to deliver is linked to economic stability and we need help. It cannot be a chicken and egg situation; there has to be a chicken, or an egg, first.<sup>42</sup>

As the previous Africa-focused Lowy Institute Policy Brief noted, Australia will 'continue to be a small player in Africa's crowded development community' but this provides an opportunity for AusAID and others to be 'creative and flexible' in addressing African needs, focusing on challenges shared in common and on which Australia has a particular technical expertise. Australia can be innovative without being 'out of sync' with others. Such innovative approaches can pave way for larger, more the risk-averse

development partners - a niche role that is desperately needed in Zimbabwe's fragile current environment. If Australia ever were to assume risks in the hope of achieving and driving considerable impact, Zimbabwe represents a significant opportunity. Australia has rightly been highly critical of the previous regime, suggesting a responsibility to actively support the transition and rebuilding process. The Australian government, by being the first donor to resume support following the establishment of the power-sharing government, has already begun to assume an influential role and to demonstrate cautious optimism.

The fact that more hardline ZANU-PF elements remain in power considerably narrows the sorts of engagement and assistance that are possible, at least until fresh (freer and fairer) elections are held, as has been mooted, in 2011. However, there exist avenues for innovative programmes and initiatives that can help Zimbabweans and provide lessons for other partners. Australian support for Zimbabwe's recovery will also assist in the development of policy guidance for dealing with other postconflict or transitional situations where government legitimacy is in question – such as Fiji – and can therefore be of substantial benefit in the years to come.



#### LIST OF ACRONYMS

ACIAR	Australian Centre for International Agricultural Research
AusAID	Agency for International Development, Australia
DFAT	Department of Foreign Affairs and Trade, Australia
DFID	Department for International Development, United Kingdom
MDC	Movement for Democratic Change, Zimbabwe
NEPAD	New Partnership for Africa's Development (African Union)
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Cooperation and Development
SADC	Southern African Development Community
UN	United Nations
UNDP	United Nations Development Programme
ZANU-PF	Zimbabwe African National Union (Patriotic Front)

#### NOTES

<sup>1</sup> Communique, Extraordinary Summit of the SADC Heads of State and Government, 27 January 2009, endorsed by the MDC's National Council on 30 January 2009; see

www.sokwanele.com/thisiszimbabwe/archives/3132.

The 'Global Political Agreement' was signed on 12 September 2008 in Harare.

<sup>2</sup> Government of Zimbabwe. Short Term Emergency Recovery Programme: getting Zimbabwe moving again. Harare, 19 March 2009.

<sup>3</sup> International Monetary Fund. Statement at the Conclusion of an IMF Staff Mission to Zimbabwe. Press Release No. 09/249, 2 July 2009: http://www.imf.org/external/np/sec/pr/2009/pr09249 .htm.

<sup>4</sup> International Crisis Group (ICG), Zimbabwe: engaging the inclusive government. Africa Briefing #59. Brussels, 20 April 2009.

<sup>5</sup> Minister for Foreign Affairs and AusAID. Australia to help Zimbabwe to move forward. 11 March 2009:

http://www.ausaid.gov.au/media/release.cfm?BC=Me dia&ID=1774\_3767\_5107\_7916\_2708.

<sup>6</sup> Zimbabwe aid feeds only crocodiles. Tom Porteous for Human Rights Watch, quoted in The Guardian 28 April 2009:

http://www.guardian.co.uk/commentisfree/2009/apr/28/zimbabwe-aid-mugabe.

<sup>7</sup> International Crisis Group (ICG), Zimbabwe: engaging the inclusive government.

<sup>8</sup> A quandry for the West over help for Zimbabwe. New York Times, 12 June 2009, p A12. See also ICG, Zimbabwe: engaging the inclusive government, p 10.

<sup>9</sup> ICG, Zimbabwe: engaging the inclusive government.

<sup>10</sup> Norwegian Ministry of Foreign Affairs. Norway increases aid to Zimbabwe. Press Release 42/09. 25 May 2009: http://www.regjeringen.no/en/dep/ud/press/News/20 09/norway-increases-aid-to-

zimbabwe.html?id=563182.

<sup>11</sup> For an earlier (2002) consideration of Australia's relations with sub-Saharan African countries, including Zimbabwe, see Ford, J., Australian-African relations 2002: another look. Australian Journal of International Affairs 57(1) 2003 p 17.

<sup>12</sup> Negin, J., Denning, G., Shared challenges: Australia's unique contribution to the future of African development. Sydney, Lowy Institute for International Policy, December 2008.

<sup>13</sup> A good international citizen. (Budget: Australia's International Development Assistance Program) Commonwealth of Australia, Canberra, May 2009.

<sup>14</sup> Department of Foreign Affairs and Trade. Zimbabwe: targeted sanctions regime. http://www.dfat.gov.au/un/unsc\_sanctions/zimbabwe .html.

<sup>15</sup> Fullilove, M. The case for Australia's UN Security Council bid. Lowy Institute Perspectives. Sydney, Lowy Institute for International Policy, September 2009.

<sup>16</sup> Related to this is another reason for Australian interest in assisting or engaging African countries, also related to common challenges: by building the capacity and confidence of African countries to participate in multilateral trade negotiations, including through the Cairns Group process, Australia might gain vocal support from Africa in terms of Australia's efforts to reduce global entry barriers and tariffs on primary commodities including agricultural produce.

<sup>17</sup> Australian Bureau of Statistics. More than one in five Australians born overseas: http://www.abs.gov.au/AUSSTATS/abs@.nsf/7d12b0 f6763c78caca257061001cc588/ec871bf375f2035dc a257306000d5422!OpenDocument.

<sup>18</sup> Donnelly, R., Ford, B., Into Africa. Lowy Institute Paper 24. Sydney, Lowy Institute for International Policy, 2008.

<sup>19</sup> Negin and Denning, Shared challenges, p 5.

<sup>20</sup> Expressed in this way, there is a danger that the shape of development assistance becomes more about what makes Australia 'look good' in Zimbabwe, than what Zimbabweans need. Agencies should have the grace to forego the chance to 'badge' programmes as theirs, if efficiency and effectiveness make parallel programmes unjustifiable. Generally, Australia has been content to make contributions to UN or donor country programmes, which is preferable where these programmes already have staff and mechanisms in place in-country. However, there exist opportunities to make specific impacts that do not duplicate or distract from others' efforts.

<sup>21</sup> Minister for Foreign Affairs and AusAID. Australia to help Zimbabwe to move forward.

<sup>22</sup> Smith, D. Zimbabwe opening up for journalists and donors, claims Morgan Tsvangirai. Guardian, 22 May 2009:

http://www.guardian.co.uk/world/2009/may/22/zimb abwe-media-pledge.

<sup>23</sup> Obama pledges aid for Zimbabwe. BBC News 12 June 2009:

http://news.bbc.co.uk/2/hi/africa/8098334.stm.

<sup>24</sup> Norway increases aid to Zimbabwe. 25 May 2009: http://blog.norway.com/2009/05/25/norwayincreases-aid-to-zimbabwe/.

<sup>25</sup> Minister for Foreign Affairs and AusAID. Australia to help Zimbabwe move forward. See also: Australia lifts ban on Zimbabwe aid. AFP (Melbourne) 11 March 2009.

<sup>26</sup> Australia provides further support to rebuild Zimbabwe. Foreign Minister Stephen Smith, AusAID Press Release, 25 May 2009. For the Africa Day speech, see:

www.foreignminister.gov.au/speeches/2009/090525\_ africa\_day.html. See also: Australia looks to strengthen African ties, regardless of UN Security Council seat. The Australian 25 May 2009. The breakdown comprises \$2 million to the Protracted Relief Programme co-funded with DFID (the UK) for the procurement of seeds and fertiliser for the 2009/2010 season. This is intended to help a transition from emergency food aid towards basic food self-sufficiency. In the light of cholera and the general infrastructural problems around water and sanitation, \$2 million was for Australian NGOs World Vision, Oxfam and Caritas projects on water and sanitation outside the main city centres, and a further \$1 million for water treatment and assessment.

<sup>27</sup> Negin and Denning, Shared challenges, p 3 (pre-2009 Budget). For the 2009 budgetary forecast, see A good international citizen (Budget: Australia's International Development Assistance Program). Commonwealth of Australia, Canberra, May 2009. <sup>28</sup> Negin and Denning, Shared challenges.

<sup>29</sup> OECD High Level Forum, Paris, March 2005: www.oecd.org/dataoecd/11/41/34428351.pdf.

<sup>30</sup> Australia should not abandon other forms of assistance it has been quietly and steadily been giving including in relation to rehabilitation efforts for those affected by political violence.

<sup>31</sup> Perry, A. team of rivals. Time 3 August 2009 p 30.

<sup>32</sup> Negin and Denning, Shared challenges, pp 7-11: Australian assistance on agriculture in Africa should be harmonised with programmes mentioned by Negin and Denning, such as the African Green Revolution (AGRA) funded by the Rockefeller and Gates Foundations, and the UN Millennium Villages Project, and consistent with the NEPAD Comprehensive Africa Agriculture Development Programme. Longer-term assistance by Australia to Zimbabwe could take the form of targeted contributions to these programmes in their Zimbabwe operations. See also the work of the ATSE Crawford Fund with its considerable African

experience, which should be harnessed: www.crawfordfund.org/.

<sup>33</sup> A good international citizen, May 2009.

<sup>34</sup> United Nations Office for the Coordination of Humanitarian Affairs. Consolidated Appeal for Zimbabwe 2009. 29 May 2009: http://ochaonline.un.org/humanitarianappeal/webpa ge.asp?Page=1755.

<sup>35</sup> Part of the A\$8 million further funding announced in mid-September 2009 is to be directed to support to food growers, that is beyond the mere provision of food aid.

<sup>36</sup> Soccer is the national sport of Zimbabwe, cricket and rugby touching less of the population and being seen as more 'elitist' sports there. Nevertheless, Zimbabwe has a proud record in rugby, cricket, swimming and women's hockey – all Australian strengths to be explored in the longer term recovery process.

<sup>37</sup> Gilchrist to the rescue. Sydney Morning Herald 7 June 2009: www.smh.com.au/national/gilchrist-tothe-rescue-20090606-bz38.html.

<sup>38</sup> Zimbabwe retains suitable hotels and training facilities for high level sporting teams. Muchinjo, E. 2010: It's not up to us, says Jordaan. Zimbabwe Independent, 7 May 2009; and Smith, D. Mugabe hopes England and Brazil will use Zimbabwe as World Cup base. Guardian.co.uk, 12 June 2009.

<sup>39</sup> Ford, J., Peacebuilding in Zimbabwe: some reflections on the longer term role of the UN and international actors. Canberra, Centre for International Governance and Justice, March 2009.

<sup>40</sup> As is well known, of course, Zimbabwe remains outside the Commonwealth after Mugabe withdrew from the organisation in 2003. However, there is no reason in principle why the Commonwealth – and its autonomous bodies such as the CPA – cannot engage in early engagement, through SADC, with a view to Zimbabwe's eventual return to the Commonwealth, something that Heads of Government of all member countries have formally expressed hope for.

<sup>41</sup> Mohamoud, A. A. African diaspora and postconflict reconstruction in Africa. Danish Institute for International Studies. February 2006.

<sup>42</sup> Duval Smith, A. Pay up or Zimbabwe deal fails, warns Biti. Guardian, 13 March 2009: http://www.guardian.co.uk/world/2009/mar/13/zimb abwe-aid-tendai-biti.

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