

## Zimbabweans Abroad, Critical To Recovery



Thursday, 18 September 2008 19:09

THE signing of the inter-party power-sharing agreement between Zanu PF and the two MDC formations at the Rainbow Towers this week is historic, not only because it signals a triumph for African diplomacy but also because it gives Zimbabweans hope to rebuild their shattered lives.

However, there are still a number of dangers and possibilities to this deal. The greatest challenge to this historic but fragile agreement, in my view, lies in the reconstruction framework the coalition government will adopt.

Given the extent of the economic decline in Zimbabwe, Zimbabwe will undoubtedly need a massive and immediate injection of funds from outside to revive its economy. The general expectation is that these funds will come from an economic aid package from the politically and economically dominant West.

Some European countries have already said that they might provide reconstruction funds once there is a "credible political settlement" in Harare. The country has no foreign currency reserves, multi-lateral lending agencies such as the World Bank or International Monetary Fund, are also expected to play an important role in providing loans for the country's recovery.

This kind of reconstruction model, currently informing the thinking of the political leadership and their economic advisers in Harare and beyond, presents both challenges and opportunities.

The most obvious opportunity is that multi-lateral aid provides the most immediate source of funds Zimbabwe can access at the moment. Once these funds have been released, the economy, which has been experiencing a free-fall for more than eight years, could be stabilised within a few months, runaway inflation could be halted and the basis of a broad based economic recovery could be laid.

But the main problem with this reconstruction framework is in its exclusive reliance on "external goodwill" for recovery. First, it is naïve for any country to base its recovery on "external goodwill" because there is no such thing as goodwill in international relations, especially where it involves Africa and the West.

Second, this external goodwill is not guaranteed and the recent statements from European countries about the provisions of the Rainbow Towers agreement, the composition of the new government and its operational framework proves this point. Against this backdrop, I cannot understand why our political leaders seem to think that the country's recovery will be facilitated through truckloads of foreign currency waiting to be offloaded at Zimbabwe's borders as soon as the ink on the agreement dries.

Even if Zimbabwe were to receive the expected Western rescue package, this aid, as with all Western aid, will come with difficult conditions which might jeopardise the agreement and destabilise the functions of the new government. With the ink on the deal hardly dried some Western countries have already tried to dictate how the new government should conduct its affairs in exchange for this envisioned aid. European governments have reportedly said that they want to see how much power MDC leader Morgan Tsvangirai wields as the prime minister before committing a rescue package. Others said they want to see "signs that Tsvangirai is in total control" and that the coalition government should be subjected to a "litmus test" before it could receive aid.

The arrogant and preposterous demands that have been expressed include the removal of senior civil servants viewed to be partisan to Zanu PF and the return of the British Military Assistance Team to retrain Zimbabwe's soldiers.

Clearly, these attempts to impose political conditions in exchange for aid not only display Western arrogance but are unacceptable. More fundamentally, the demands are not pragmatic. The new government is about Zanu PF and MDC working together.

It is not about the MDC or Tsvangirai being in control, and the political deal itself is crafted in such a way that neither Zanu PF nor the MDC has absolute power. The deal gives the prime minister substantial powers but not absolute power. How Tsvangirai or the coalition government is expected to carry out these demands without violating the terms of the agreement is beyond any reasonable person's imagination.

Given these problems associated with a "rescue package" from the West, Zimbabwe's leaders need to start thinking seriously of alternative forms of financial support based on effective utilisation of the country's natural and human resources. The millions of Zimbabweans now living abroad, in my view, can be an effective source of external funds for recovery and reconstruction if the new government creates the right opportunities and spaces for them to be involved.

In Central America, where many national economies have collapsed and the state has been struggling to provide basic services to the population, diasporans have been largely responsible for community development projects through their social investments and collective remittances.

In countries like Mexico, migrant remittances have become the biggest source of foreign income, and public works that would be considered the province of government elsewhere are financed by Mexican workers' remittances sent to their hometowns.

Closer to home in Ghana, remittances from Ghanaians abroad have become the biggest source of foreign direct investment received by the country, much more than amounts received from Western donor countries and multi-lateral institutions.

Since the beginning of the crisis in 2000, the mantle of helping Zimbabweans failing to feed and pay school fees for their children and assisting schools and hospitals battling to provide normal services has fallen on ordinary Zimbabweans.

Zimbabweans living abroad have also been involved and investing in community development projects in their regions, building bridges and repairing roads. Former students have been assisting their struggling former schools by donating money, books, computers and other research material.

Over the last couple of years, Zimbabwe has increasingly come to rely on its nationals outside for survival and there is no

reason why migrant remittances cannot be turned into an important source of external funding for reconstruction if the remittances, mainly coming through informal channels, are formalised and more opportunities for diaspora involvement in the economy are o With the right kind of planning and consultation, Zimbabweans living abroad can play a crucial role in the country's reconstruction. In the past, their role has been limited because of the political polarisation and absence of formalised channels of engagement and imaginative ways to include them in the developmental planning. Zimbabwe's leaders need to work on a plan to utilise both the financial and skills resources of this important constituency. The starting point for the new government would be the setting up of a department or unit responsible for the diaspora in the ministries of economic planning and finance.

*By James Muzondidya*

*\*Muzondidya is senior research specialist: Human Sciences Research Council, Pretoria.*