

# ZIMBABWE—POLITICIANS MANEUVER AS ECONOMIC WOES CONTINUE

By George F. Ward

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Zimbabwean President Robert Mugabe, center, is welcomed at the airport on his arrival to Moscow, Russia, Friday, May 8, 2015. (Source: Host Photo agency/RIA Novosti Pool Photo via AP, File.)

Ambassador (ret.) George F. Ward is editor of Africa Watch and a Research Staff Member at the Institute for Defense Analyses.

## PAYING THE PRICE FOR PUBLIC CORRUPTION IN NIGERIA

By Dr. Stephanie M. Burchard

Nigerian President Muhammadu Buhari, elected to office in March 2015, campaigned extensively as an <u>anti-corruption candidate</u>. He <u>vowed</u> to jail corrupt politicians and "make sure that Nigeria's wealth belongs only to Nigerians." What types of reforms will President Buhari pursue, and what types of roadblocks might he face in attempting to stamp out public corruption in Nigeria? *more...* 

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In this May 29, 2015, file photo, Nigerian President Muhammadu Buhari salutes his supporters during his Inauguration in Abuja, Nigeria. (Source: AP Photo/Sunday Alamba, File.)

#### **About IDA**

The Institute for Defense Analyses is a non-profit corporation operating in the public interest.

IDA's three federally-funded research and development centers provide objective analyses of national security issues and related national challenges, particularly those requiring scientific and technical expertise.

IDA's Africa team focuses on issues related to political, economic, and social stability and security on the continent.

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#### **Worrying Contingencies**

In an earlier paper <u>published</u> by the Council on Foreign Relations, the author identified three scenarios in which acute instability in Zimbabwe could emerge:

- Mugabe dies or becomes incapacitated before installing a chosen successor.
- Mugabe's control is challenged and undermined by growing factionalism.
- An economic crisis triggers demands for political change.

These scenarios are not mutually exclusive and all three remain possible.

#### Mugabe—A "Visiting President"?

Robert Mugabe continues to say that he will run again in the 2018 elections, and he maintains an active schedule, often traveling among African capitals in his AU and SADC roles. His foreign travels are frequent enough that one commentator has said that Mugabe is known inside Zimbabwe as "a visiting president." This point of view implies that Mugabe is paying less attention to his strategy of divide and rule that has in the past ensured party discipline and prevented the rise of rivals. Allegations of failing mental and physical capacities continue to appear. Simba Makoni, a former ZANU-PF minister who quit the party and ran against Mugabe in the 2008 elections, claims that the president cannot stay alert for more than 40 minutes at a time. Similar views have been attributed to unidentified Western diplomats, who expressed surprise at the rapidity of Mugabe's decline in recent months.

### **Intense Intra-Party Infighting**

Mugabe may well die without having put in place a plan for a nonviolent succession. Emmerson Mnangagwa, the 69-year old party stalwart whom Mugabe installed as one of the country's two vice presidents following the ZANU-PF party congress in December 2014, seemed for a time to have positioned himself as successor. He is still seen as the most likely successor, but Higher Education Minister Jonathan Moyo, one of the "Young Turks" within the party and reportedly close to Grace Mugabe, the president's ambitious wife, recently trashed Mnangagwa's prospects in a BBC television interview.

There are several other possible successors to Mugabe. The one most often mentioned is Joice Mujuru, whom Mugabe stripped of her positions as national and ZANU-PF vice president after the party congress in December 2014. Mujuru still enjoys a loyal following within the party. Another is Phelekezela Mphoko, the other vice president. Mphoko

is a liberation struggle stalwart whom Mugabe plucked from obscurity and placed in the deputy role. Mphoko does not lead a coherent faction of the party and is a member of the minority Ndebele ethnic group, but he might be attractive as the candidate of groups hostile to Mnangagwa. Still another is the commander of the Zimbabwe Defense Force, General Constantine Chiwenga, who wields great power based on his control of the security apparatus. Chiwenga has been linked to the <u>plundering</u> of the Marange diamond fields by government officials and ZANU-PF insiders. Chiwenga's disadvantage is that he lacks an independent political power base and is seen as linked to Mnangagwa. Among the younger generation of ZANU-PF leaders, the aforementioned Jonathan Moyo, who is also from the Ndebele group, and Minister of Environment <u>Saviour Kasukuwere</u> have been mentioned as possible successors.

The wild card in the succession drama continues to be Grace Mugabe, who played a key role in last fall's defenestration of Joice Mujuru. After a period of reduced political activity, which some attributed to a serious illness, Grace Mugabe has recently been in the news again, portraying herself as "Amai," or "Mother." She styles herself as regularly holding school for Mnangagwa and Mphoko, the two national vice presidents, saying, "In the few months they have been in power, I have lost count of the times that I have sat down with them one-on-one to talk about the development of Zimbabwe. This is the leadership we want, servant leaders who know that they are there to work for the people and that they should sit down with the mother to discuss issues." Even though her husband in April 2015 took pains to say that Grace had no "ambitions" as his successor, it appears that younger leaders in the party may be gathering around her.

#### **Continued Economic Troubles and Possible Famine**

The growth of Zimbabwe's economy declined from 10.6 percent in 2012 to an estimated 3.1 percent in 2014. On a per capita basis, growth has almost disappeared. At independence in 1980, Zimbabwe's economy was based on strong commercial farming and manufacturing sectors. For a variety of reasons, including the takeover of lands owned by white commercial farmers, both those sectors have declined. According to the African Development Bank, each of the two sectors constitutes only about 12 percent of Zimbabwe's GDP. Zimbabwe was formerly an exporter of food grains, but today, according to one observer, it faces a shortfall of more than 1 million tons of maize. Despite this looming gap in capacity to feed the Zimbabwean population, the government has reportedly failed to issue a letter of appeal to the United Nations for aid from the World Food Program. Unless the government acts swiftly to secure adequate supplies of grain, the sort of widespread hunger that Zimbabwe experienced a decade ago could recur.

#### Is There Cause for Hope?

If there are bright spots in contemporary Zimbabwe, they are due to the resilience and resourcefulness of the people. Political repression continues unabated; the latest example was the broad daylight <u>abduction</u> on March 9, 2015, of Itai Dzamara, a human right activist, who has not been seen since. Nevertheless, civil society organizations continue to demand respect for human rights, as do voices in the free press. On the economic side, only 600,000 out of a population of 13 million have <u>formal employment</u>, and 250,000 of those are civil servants. Two-thirds of working Zimbabweans are engaged in the growing informal economy, whether as street vendors or in a myriad other roles. In agriculture, the Western media have focused on the decline of commercial farming, but there is another aspect. <u>lan Scoones</u> has uncovered examples of noteworthy resilience among entrepreneurial family farmers, who have been able to improve their families' lives through production of pigs and chickens and irrigated horticulture. <u>Scoones sees these farmers as the country's future</u>: "Generating a new sense of hope, out of which a new politics might emerge, will have to come from the fields and farms of rural Zimbabwe . . . ."That is an uncertain and fragile prospect, but at least it is one that transcends the frenzied maneuvering of the political class in Zimbabwe's extended succession drama.

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In this May 29, 2015, file photo, Nigerian President Muhammadu Buhari salutes his supporters during his Inauguration in Abuja, Nigeria. (Source: AP Photo/Sunday Alamba, File.)

#### **Scope of the Problem**

Public corruption, or the use of public resources for private gain, is certainly not a new problem in Nigeria, a country blessed with significant natural resources. Since it began exporting oil in the late 1950s, allegations of corruption and misappropriation of public resources have plagued successive Nigerian governments. The "natural resource curse"—the perhaps counterintuitive relationship between valuable natural resources (in this case oil and gas) and conflict, underdevelopment, and corruption—is partly to blame. When governments have access to revenue generated by natural resources, their need to rely on taxes to fund spending is reduced. In Nigeria, oil revenue comprises approximately 75 percent of total government revenue. In this situation, where accountability mechanisms that make governments beholden to citizens are weakened, corruption can become endemic.

The country's First Republic (1960 to 1966) fell as the result of a coup undertaken by military commanders on the grounds of grand corruption, and many former Nigerian politicians (including a few past presidents) have been tainted by accusations of corruption. Between 1979 and 1983, more than \$16 billion in oil revenues went missing during the Shehu Shagari regime. Former military dictator Sani Abacha's theft is often argued to be the most egregious in Nigerian history. It is estimated that during his five years in office, from 1993 to 1998, Abacha alone stole at least \$4.3 billion.

The theft believed to have taken place during the government of Goodluck Jonathan (2010–2015) may end up rivaling that of the Abacha regime. Former Central Bank Governor and current Emir of Kano Sanusi Lamido Sanusi alleged in 2014 that close to \$20 billion that was supposed to have been transmitted from the Nigerian National Petroleum Commission (NNPC) was missing from federal accounts. A forensic audit was conducted in 2014, but the results, confirming the loss of \$20 billion, were only released shortly before Jonathan left office. Some more recent estimates place the amount stolen since 2008 from the petroleum sector alone at over \$84.52 billion.

#### Electing a "New" Solution?

President Buhari's March 2015 victory over incumbent Goodluck Jonathan sent a strong message to politicians in Nigeria, many of whom are among the <u>highest paid in the world</u>, that change would occur. His persona as an austere and devout former soldier, along with his history of championing anti-corruption reforms, suggests he is likely to attempt to make good on many of his promises.

When President Buhari came to power previously as the result of a military coup in 1983, <u>rooting out corruption</u> was high on his agenda. His regime set up several tribunals to determine the extent of corruption and made public various corruption scandals that exposed the excesses of the previous civilian regime. He also launched a "<u>War on Indiscipline</u>," a key component of which was to eradicate public corruption. Unfortunately, other components included corporal punishment for infractions such as showing up to work late or not properly queuing at bus stops. Amid a stagnating economy and a litany of <u>human rights abuses</u>, his leadership ended in 1985 when a military coup removed him from power. He has since described himself as a "convert to democracy" and has given assurances that his regime will respect human rights and the rule of law.

Since his inauguration at the end of May, President Buhari has taken several steps that have signaled his government's willingness to go after corrupt officials. The Economic and Financial Crimes Commission (EFCC), an autonomous body established under former President Olusegun Obasanjo in the early 2000s to tackle corruption in the public sector, has recently made several high-profile arrests, including those of former Jigawa State Governor <u>Sule Lamido and his sons</u>. It was reported in mid-July that the EFCC would <u>soon begin investigating</u> the assets and holdings of ministers and aides from the previous Jonathan government. The house of one of Jonathan's closest aides, former National Security Advisor Sambo Dasuki, was <u>raided</u> on July 16. The government confiscated 12 vehicles, five of which were armored.

The President is also taking steps to address corruption at one of its main sources: the oil industry. Buhari, who served as <u>chairman of the NNPC</u> in the late 1970s and as a former petroleum minister in the 1980s, <u>dissolved</u> the governing board of the NNPC in late June. He also ordered the NNPC and all other revenue-generating agencies to begin <u>remitting their revenues</u> directly to the federal government. On July 20, he ordered <u>113 vessels</u> blacklisted and barred from transporting oil with immediate effect.

#### **Challenges Ahead**

Although the Buhari regime has taken some encouraging first steps in combatting corruption, there are sure to be roadblocks ahead. If corruption is as pervasive and systematic as it is believed to be in Nigeria, there will likely come a point where the country's powerful political elites will feel threatened. Right now, Buhari is bolstered by public sentiment to see corrupt officials prosecuted; however, any overt politicization of corruption (i.e., targeting of his opponents) will only hasten resistance to his reforms.

Furthermore, while he is correctly both addressing the sources of corruption and investigating those believed to take part in corrupt acts in the past, these types of immediate actions will ultimately fail if the institutions and processes responsible for investigating, prosecuting, and punishing corruption are not reformed as well. Public corruption of the kind Buhari is facing is akin to a <u>collective action problem</u> where a large number of actors either directly benefit or are at the very least complicit in corrupt acts, thus making meaningful reform difficult to enact. One weak link in the reform chain (e.g., judges willing to find defendants not guilty for the right price, members of the police force who can be incentivized to ignore particular crimes), and reforms will likely fail. Any approach to combatting corruption in Nigeria must address the multiple actors and institutions that have allowed this system to endure for decades. In addition to the public's buy-in, which by virtue of his recent electoral victory he presumably has, Buhari must secure the support of those employed by key institutions (e.g., the police, prosecutors, judges) to achieve success in taming corruption in Nigeria.

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