



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**MINISTERIAL STATEMENTS**

**Zimbabwe**

**SPEECH**

**Tuesday, 16 March 2010**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

**Date** Tuesday, 16 March 2010  
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**Questioner**  
**Speaker** Bishop, Julie, MP

**Source** House  
**Proof** No  
**Responder**  
**Question No.**

**Ms JULIE BISHOP** (Curtin) (4.01 pm)—It is with a heavy heart that I rise to speak to this House again in response to the ministerial statement on the situation in Zimbabwe. After a period of optimism last year when the world hoped that a power-sharing agreement between President Robert Mugabe's ZANU-PF party and Morgan Tsvangirai's Movement for Democratic Change would bring a stability to Zimbabwe that would lead over time to relative peace and hopefully a degree of prosperity for this nation that has been devastated politically, economically and socially for decades, that optimism is fading fast with the view that the power-sharing arrangement appears to be going nowhere. The situation appears to be rapidly deteriorating with recent reports that the power-sharing pact has indeed broken down, possibly irretrievably.

The so-called unity government is just over 12 months old with 11 February this year being the first anniversary of the swearing in of Morgan Tsvangirai as the Prime Minister in Zimbabwe's inclusive government. Next month President Robert Mugabe will celebrate 30 years as the leader of the nation, but far from taking any responsibility for his role in the virtual destruction of a nation during his years of untrammelled power, President Mugabe is as defiant and unapologetic as ever. It seems he will never change his spots. In his statement to this House the Minister for Foreign Affairs said that:

At some point in the cycle President Mugabe will move off the stage.

I have some news for the minister: President Mugabe has announced that fresh elections in Zimbabwe could be held as early as next year and, at age 86, President Mugabe says he will stand yet again. There are reports from the capital, Harare, that recent events may lead to an even earlier election, possibly in the next few months. At a recent ZANU-PF congress President Mugabe said that his party was:

... ready and raring to take on the enemy who sought our ruin ...

apparently to wild applause. This attitude does not augur well for a unity government.

It was reported yesterday that South African President, Jacob Zuma, who mediated talks between ZANU-PF and MDC after he became President of South Africa in April last year, will be in Zimbabwe today for a three-day visit. A South African mediation team is also in Zimbabwe to resume negotiations between the parties to the global political agreement signed in September 2008. This agreement established the inclusive government and set out the guidelines for the power-sharing agreement. While President Zuma has given his support for the full implementation of the global political agreement, he has been reluctant to criticise President Mugabe for any failure to keep to the terms of the global political agreement. President Zuma made representations to both the British government and the whole European Union to drop the existing sanctions in place against Zimbabwe, including lifting the asset-freezing sanctions and travel bans against the more corrupt members of ZANU-PF. It was reported today on *Times LIVE* that President Mugabe will only agree to full implementation of the global political agreement if all sanctions against him and his associates are lifted.

It is clear that President Mugabe was an unwilling participant in the global political agreement, and has used every opportunity to undermine the power-sharing arrangement and block reforms designed to bring Zimbabwe's economy back from the brink. There has been a four-week strike by public servants in Zimbabwe over pay which has brought state services including schools, hospitals and courts to a standstill. The persecution of supporters of the Movement for Democratic Change continues. MDC members of parliament have been arrested on what are considered spurious charges. President Mugabe has stripped some MDC ministers of their portfolios and unilaterally given them to ZANU-PF members of parliament. The rule of law continues to be ignored. President Mugabe continues to insist that he alone appoints the Governor of the Reserve Bank of Zimbabwe and the judiciary. The invasion of commercial farms by the Mugabe backed war veterans continues.

One of the most concerning developments is the new Indigenisation and Empowerment Act which came into effect on 1 March. It is a Mugabe inspired law, introduced without reference to Prime Minister Tsvangirai, which effectively nationalises companies in Zimbabwe. The regulations aim to force all businesses with assets over

\$500,000 and owned by whites or foreigners to transfer majority ownership to black Zimbabweans by 2015 and to submit to the government details of the racial composition of their shareholdings. White Zimbabweans are also banned from running smaller businesses—real estate agencies, advertising agencies and the like. Those in breach of the regulations face up to five years jail. Prime Minister Tsvangirai has declared the law null and void, but as he is treated with such contempt by President Mugabe it is hard to see how his view will prevail. The impact of this new law was described this way in the *Economist* last week:

The Zimbabwe stock exchange, where shares had been rising fast in the past year, slumped on the news. The country's businessmen, already struggling to cope with electricity cuts, lack of capital and an acute shortage of manpower skills, are aghast. The ZANU-PF minister responsible for the new law has told foreign banks to start lending money to black Zimbabweans or "ship out". Foreign investors, whose cash is sorely needed, are thinking again.

It is hard to imagine a more deliberate act designed to adversely affect the foreign direct investment in Zimbabwe that it so desperately needs. It is also little wonder that the Zimbabwean finance minister said on 11 March that Zimbabwe will have to use its own resources to finance its projected budget deficit of US\$810 million because foreign donors are not likely to fill that US\$810 million gap.

I witnessed firsthand as a Commonwealth observer to the 2000 Zimbabwean parliamentary election and the 2002 Zimbabwean presidential election the way President Mugabe ensures that only his supporters, his family or his cronies benefit from the ironically named land reform measures. There must be real concern that this nationalisation act is yet another action designed to entrench President Mugabe's hold on power through his support base. President Mugabe's defence of these laws was that they were intended to 'correct historical imbalances in the ownership of Zimbabwe's resources'. That is a defence he has also employed to justify the invasion of white owned farms by the war veterans.

In his statement to this House, the Minister for Foreign Affairs noted that some gains had been made and that there had been some sensible financial reforms and some improvement in basic services. Regrettably, the improving economic position has more to do with the replacement of the Zimbabwean currency than with real economic reform. The hyperinflation of over 200 per cent was only reduced when the worthless Zimbabwean currency was replaced with a basket of other currencies and not by any particular action taken by the government.

I note the minister's references to the additional aid being provided to Zimbabwe, and I think it is relevant to note that, with respect to the justification for increased aid, the budget statement of 12 May 2009 stated that the Rudd government will:

**Support the reintegration of Zimbabwe into the international community** by continuing to provide humanitarian support to Zimbabwe through international organisations and NGOs. Australia will also support efforts by the inclusive Government of Zimbabwe to bring sustainable and longer-term improvements to the lives of Zimbabweans.

Nearly 12 months on, this seems to be an unlikely scenario given the continuing presence of President Mugabe and his current stance.

The minister said in a press release of 11 February 2010:

Since the formation of the Inclusive Government, Australia has announced \$39 million in assistance to Zimbabwe.

Australia has provided humanitarian assistance to combat disease and improve nutrition, which the coalition supports, particularly given the cholera epidemic that has afflicted Zimbabwe in recent years. In the last year, Australia has gone beyond this aim. According to the AusAID website, in 2009 Australia moved beyond humanitarian assistance to help the inclusive government restore basic services and assist Zimbabwe's transition to democracy. For example, Australia helped rehabilitate Zimbabwe's water and sanitation systems and supported agricultural programs to provide sustainable food security.

The Rudd government needs to be very clear and careful about which Zimbabwean government ministries or agencies can be trusted to receive and disburse Australian taxpayer funds effectively and in accord with our expectations for accountability of public funds. The Rudd government must be particularly discerning given that there are deep concerns about this government's ulterior motives when it comes to increases in aid to nations not within the Asia-Pacific region—in particular, in this case, to win Zimbabwe's vote for the Prime Minister's bid for a seat on the United Nations Security Council in 2013-14. In order to win that campaign, the Prime Minister needs Africa's support, as it commands about a quarter of all the United Nations votes, and it is a fact that many nations in Africa are sympathetic to President Mugabe.

Even if we were to ignore the United Nations Security Council bid as a justification for the sudden jump in engagement with and assistance to Zimbabwe, we are far from alone in our fear that the inclusive government will fail. President Mugabe still controls the security apparatus of the country and can easily take back control, along with aid funding and the assets that it has funded.

In Senate estimates on 22 October last year, an AusAID representative said:

To be honest, it remains a fragile environment in Zimbabwe. The reason donors have to coordinate their efforts closely is to ensure that we moderate them according to the political situation environment in Zimbabwe and that is going to continue to be an ongoing thing, I think, into the future.

Given the fluid and fragile environment and the deteriorating situation in Zimbabwe, we should not put in jeopardy Australian aid funding. Australia should provide essential humanitarian aid but not provide any funding that could be regarded as propping up the Mugabe regime, extending its rule at the expense of the true democracy that all Zimbabweans deserve.

On 22 February 2010, European Union ministers stated there had been:

... insufficient progress with regard to the rule of law, respect for human rights, constitutional reforms, power sharing on equal terms, national reconciliation, security sector reform and the protection of investors.

The need for greater effectiveness and the elimination of waste in the aid program have been two themes the coalition has pursued both in government and in opposition. The coalition's criticisms of the government's expanded allocation of aid according to the requirement to attract votes for its Security Council bid have been echoed by media commentators and independent think tanks. It was recently reported in the *Australian* that:

AUSTRALIA is handing up to \$12.5 million in additional aid to Africa to enhance ties as well as drum up support for a seat on the UN Security Council.

Jenny Hayward-Jones of the Lowy Institute's Melanesia program said such a widespread program was 'a poor use of taxpayers' money':

The interest in Africa and Latin America of late is really motivated by Australia's desire to be elected to the UN Security Council.

The coalition will monitor closely any wasteful, reckless, irresponsible spending by the Rudd government in pursuit of the Prime Minister's wish for a temporary seat on the United Nations Security Council.

It is a widespread view that, as long as President Mugabe remains in power, the situation in Zimbabwe will not improve. Any non-humanitarian aid should be made conditional on President Mugabe fully implementing all terms of the power-sharing agreement. A delegation from the European Union to Zimbabwe has endorsed that approach. Last month the European Union and the United States extended sanctions on Zimbabwe.

The Rudd government must closely monitor whether there is material progress by the inclusive government if it is to provide further non-humanitarian support to Zimbabwe. The Zimbabwean people have suffered enough under President Mugabe. Australia should not provide any comfort to President Mugabe that is taken as legitimising the behaviour of his regime. The coalition supports efforts to restore peace and prosperity to the lives of the people of Zimbabwe—people who aspire to live free from fear and threat of violence and who want to emerge from the shadow of oppression and corruption under which Zimbabwe has suffered for decades.