

Zimbabwe Asks For \$2B Amid More Political Problems

Written by Rudi Prinsloo

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President Robert Mugabe in a published interview rejected demands that he should dismiss two discredited officials, while the Zimbabwean government on Thursday asked its neighbors for a \$2 billion loan package to aid its collapsed economy.

In the interview with the state Herald newspaper to mark his 85th birthday, Mugabe refused to cede to demands by the Movement for Democratic Change to dismiss central bank governor Gideon Gono and attorney general Johannes Tomana.

"I don't see any reason why those people should go and they will not go," Mugabe said in the interview. Gono is widely blamed for Zimbabwe's economic meltdown and hyperinflation of 231 million percent, and Tomana stands accused of blocking the release of political prisoners.

Meanwhile, Zimbabwe's request for a \$2 billion loan to salvage its collapsed economy and infrastructure was expected to dominate a two-day conference of the 15-nation Southern African Development Community (SADC) in Cape Town, South Africa.

South African Finance Minister Trevor Manuel told South African radio that Zimbabwe wanted about \$1 billion to kickstart retail and other sectors, and the rest to help reopen schools and restore health and municipal services.

An estimated two-thirds of Zimbabweans are in need of food aid and a cholera epidemic has sickened more than 80,000 people and killed more than 3,800 since August.

But South Africa has only limited resources to help its troubled neighbor, as it is heading into recession. Other southern African countries are also reeling from the global economic downturn, and there is skepticism about how Zimbabwe would use the money.

The head of the African Development Bank, Donald Kaberuka, said Zimbabwe also must settle its existing debt before it could expect huge foreign aid.

"It is important not to jump off the bridge before there is enough water under it," he told reporters in Cape Town. He said Harare owed the African Development Bank nearly \$460 million. "That has to be fixed before we do anything else," he said.

He said Zimbabwe's debt to the international community was about \$5 billion and by next year would be closer to \$6 billion.

"What is owed to the international financial institutions must be settled in advance, before we move in. That can be done fairly quickly.

It is complex, but its not undoable," Kaberuka said.

Zimbabwean Finance Minister Tendai Biti, a leader of the former opposition, headed the country's large delegation seeking to convince other SADC countries of Zimbabwe's

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commitment to economic reform.

But there are doubts about how much control Biti and Prime Minister Morgan Tsvangirai will have over the nation's finances given the power of central bank chief Gono, who was reappointed last year by Mugabe for a second five-year term in office.

Uncertainty has been heightened by an upsurge in reported "invasions" of white-owned farms. Mike Campbell, one of 78 white farmers who petitioned a regional court to overturn farm eviction laws, left his farm for security reasons Wednesday after they were threatened by a group led by a nephew of a longtime Mugabe loyalist.

The militants gave Campbell 10 minutes to pack and leave his house, said his son-in-law Ben Freeth.

"They said they did not care about the law or the police," Freeth said.

Justice for Agriculture, a farmers' support group, has reported at least 40 of the nation's few remaining white farmers have been forced off their land since January.

Tsvangirai on Wednesday cited the campaign against farms as evidence of continuing lawlessness. He faces increasing pressure from his supporters, who say it was a mistake to agree to govern alongside Mugabe.

The Movement for Democratic Change said its executive committee would meet Friday to discuss concerns including Mugabe's unilateral appointment of his cronies for senior civil service jobs, the "irregular appointments" of the attorney-general and the Reserve Bank chief, and the continued detention of its senior party official Roy Bennett and human rights activists on "trumped-up charges." Women of Zimbabwe Unite said five of its supporters remained in police custody for a second day. Riot police singing "we want war" arrested the four women and one man Wednesday as they staged a peaceful demonstration outside the Education Ministry to press for the reopening of schools.

Women of Zimbabwe Unite leaders Jenni Williams and Magodonga Mahlangu appeared in a magistrates' court in the city of Bulawayo on charges of breaching the peace. The case was adjourned until March 5 despite appeals for it to be dropped.