

I still have a 5 trillion Zimbabwe dollar from the worst days of hyperinflation in 2008. We are not quite back there yet - the real exchange rate of Zimbabwe dollar bonds, theoretically at par with the US greenback, is currently 25:1. But in many respects the situation is heading rapidly in that direction: the economy is experiencing an inexorable and severe crash.

Inflation for the year to the end of October 2019 is estimated at 775% and accelerating. More than half the population are in need of food aid. Starvation and destitution are on the increase. Shortages of basic inputs are biting hard. Electricity is available only two hours a day at best. Diesel and petrol are in short supply (but can be found if you have US dollars, though using dollars is theoretically illegal). Wages in real terms are only between 15 and 25% of what they were 8 months ago. Demand is collapsing, especially for discretionary spending. More and more businesses are closing. Forex constraints are throttling the productive sectors.

Zimbabweans with skills are leaving. Government doctors, whose salaries in real terms had fallen to about US\$40 a month, went on strike recently and were dismissed - the UK NHS are likely to be beneficiaries. Other destination countries are South Africa, Canada, a reluctant Botswana and even Mozambique and Zambia.

Unfortunately for Zimbabwe, the international response to collapse has been less sympathetic than in 2008. There is no sign of the cavalry galloping to the rescue. DfID are ramping up humanitarian assistance, but the US see President Mnangagwa as a busted flush while the EU are increasingly jaded. A major reason for this is that the bigwigs of the ruling party and army continue to loot the country: an estimated 60% of scarce forex is still syphoned off. An IMF programme is not in sight and is anyway no panacea.

One might reasonably conclude that something has to give. But there is no obvious agent of radical change. Demonstrations have been put down brutally, and Zimbabwe remains a society where respect for authority and seniority is strong. An overwhelming popular uprising seems unlikely, as is another coup since the generals are among the prime looters of the economy. The only possibility I can see is action by the majors, captains and sergeants, whose extended families must be among the suffering.

Poor Zimbabwe. A country of considerable potential let down terribly by its civil and military leadership. A country in meltdown.



**Sir Kieran Prendergast, KCVO, CMG**

Sir Kieran Prendergast KCVO, CMG led a distinguished career in the British Foreign Office, serving as British Ambassador to Turkey and High Commissioner to Zimbabwe and Kenya. Sir Kieran remains active in the field of conflict management and resolution through his role at the Centre for Humanitarian Dialogue.