Mugabe dilemma s. Tms 16 MAY 1983 No 10

ZIMBABWE

Rosemary Righter reports a diplomatic lunch agenda

CORD CARRINGTON former To sign secretary, and Robert Mugabe, former guerrilla leader, will sit down to lunch with Mrs Thatcher at 10 Downing Street on Wednesday. They will discuss the state of Zimbabwe two years after independence and try to iron out wrinkles in the promised "special relationship" between London and Harare—the new name for Salisbury.

Although politically a spent force after the early Falklands debacle, Carrington was called in by his successor, Francis Pym, to smooth the discussions with Mugabe, with whom Carrington worked out the 1980 Lancaster House agreement. Pym will be at the lunch.

Mugabe has more concrete goals than returning the bloom to the special relationship. He wants to set the City's mind at rest about the security of private investment in Zimbabwe, promote trade and secure continuing British economic aid and assistance for Zimbabwe's newly integrated army. Above all, he must reassure investors on Zimbabwe's political future.

Violence has returned to the Bulawayo heartland of Joshua Nkomo; Mugabe's chief rival and leader of the Matabele. Since Nkomo was sacked from the cabinet three months ago, accused of planning an armed revolt, suspicions have grown that Mugabe was about to tear up the Lancaster House constitution and create a one-party state.

Mugabe has made no secret of his distaste for political parties based on tribal loyalties. But he will insist that the introduction of the one-party state and any other changes will be carried out according to the constitution. He is expected to keep politics on the back burner while Zimbabwe gets on with what he has proclaimed "the year of national transformation."

The slogan symbolises Mugabe's dilemma: meeting the high expectations of his people, particularly the hundreds of thousands waiting for farms on white-owned land, while stemming the whites' exodus and attracting fresh investment.

The problem is complicated by his highly ambivalent attitude to capitalism. In the past few months Mugabe has been wooing Zimbabwe's white businessmen, telling them they are welcome and will be free from expropriation for a good decade at least. But in April he undid much of that spadework with a call for "socialist programmes to lead eventually to the creation of a socialist state."

Even to get companies whose assets are locked into Zimbabwe to invest profits rather than sit on them will need clearer policies. The British have tried, unsuccessfully so far, to persuade Mugabe that an investment protection agreement would encourage outside finance. They will press the idea again this week.

Were it not for these anxieties, Zimbabwe would appear highly attractive to investors. In spite of inflation and increased government spending, five per cent economic growth is expected this year. But to maintain the pace, Mugabe needs to stem the emigration of skilled whites and persuade the farmers, who account for most of Zimbabwe's export earnings, to live with his land reform programmes.