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Mitigating The Effects of International Economic Sanctions on Zimbabwe: Policy Options for Economic Recovery and National Security

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ABSTRACT

International economic sanctions have been imposed on Zimbabwe since 2002 to address political, governance and human rights issues, mostly by Western countries. These sanctions have been a drain on economic growth and foreign direct investment (FDI), have driven high inflation in the years since, and have limited access to international financial institutions and reduced national industry productivity, provoking national security concerns over time. The study focused on policy options to mitigate the impact of international economic sanctions on Zimbabwe, considering their potential role in economic recovery and in building resilience against such sanctions. A qualitative approach with a case study design was used, in which only secondary data derived from peer-reviewed literature, Government publications, policy documents and reports from international and regional institutions were used. Thematic content analysis was used to assess the measures already in place to mitigate sanctions and to determine sustainable policy strategies in the economic and diplomatic fields. The results show that, despite several policy changes in Zimbabwe, such as the Look East Policy, the integration of regional markets, import substitution, economic diplomacy, and industrialisation, the implementation of these policy measures was hindered by macroeconomic instability, structural economic problems, and Zimbabwe's continued state of financial isolation. The research also showed that a sustainable policy framework for mitigating sanctions must be an integrated policy that incorporates economic diversification, industrial revitalisation, macroeconomic stability, export promotion, mobilisation of public and private investment, regional integration, and strengthening diplomatic engagement. The study recommends measures to strengthen domestic productive capacity, improve governance and institutional transparency, enhance regional trade via the Southern African Development Community (SADC), Common Market for Eastern and Southern Africa (COMESA), and the African Continental Free Trade Area (AfCFTA), and deepen re-engagement with the international community to access development financial flows, to unlock productive investment and to facilitate sustainable economic recovery. The study concludes that there are key economic and diplomatic strategies to coordinate to improve Zimbabwe's long-term economic resilience, sustainable recovery and national security.

Keywords: International economic sanctions; Zimbabwe; economic recovery; national security; economic resilience; economic diplomacy; regional integration.

INTRODUCTION

International economic sanctions are becoming a dominant strategy in modern economic statecraft, in which powerful sovereign states and groups of states, backed by multilateral organisations, wield geopolitical influence at far lower economic or political cost than direct military action. Edmond (2026) attributes the process of the world's sanctions regimes expanding in scope to a "structural shift in the use of sanctions from military and political means back to the realm of finance, trade, and prohibitions on targeted investments to force strategic policy adjustments in the nations being sanctioned. This structural change reflects how current 'diplomacy' has turned global interdependence into a form of 'continental arms race' through 'non-military' instruments such as financial architecture. Following Balfour et al. (2024), sanctions are institutionalised tools of economic coercion that are meant to punish non-compliance, to provide international condemnation of deviance, and promote 'normative standards' concerning political norms in international governance.

Cross-border trade, capital flows, and international supply chain dynamics have been fundamentally affected by the intensification of geoeconomic fragmentation due to increased geopolitical tensions worldwide. However, Wang (2025) notes that the international monetary and trading systems have become divided as a result of geopolitical conflict among sovereign nations, which is now prompting a reconfiguration of external partnerships and interaction strategies. They are sharp in developing economies, as these economies face sizeable structural disruptions stemming from their own integration problems into global value networks. Under fragmented global regimes, emerging markets face disproportionately severe macroeconomic consequences due to their high exposure to external financial shocks, stemming from dependence on external credit, foreign direct investment, and international commodity markets, Zhao argued (2024). As a result, sanctions have become significant factors in determining a nation's long-term economic security.

Economic Sanctions are also widely used to defuse electoral conflicts/democratic setbacks or state-sponsored human rights violations on the African continent. In the context of international governance, responses to non-military coercive measures have become a prerequisite across sub-Saharan Africa, shaping political dynamics within countries as well as regional stability and peace, as Korkor (2024) emphasises. Zimbabwe is one of the longest international economic embargoes in this large-scale continental picture. Western countries' targeted sanctions, which began in 2002 following contentious governance issues, notably affected the country's political economy, reducing customary access to multilateral capital flows, as Ateku (2026) indicates.

Although sanctioning institutions describe these actions as limited to designated individuals and state actors, their overall effect affects the entire state economy. As shown in Chidzanja (2026), the Restriction of financial tools has blanket consequences for public revenues, private business, industrial capacity, and general socio-economic welfare. Macroeconomically, the effects of the depression have been massive and long-lasting, including structural decline in industrial activity; capital outflows; public service decay; and a largely volatile period for the Zimbabwean currency. According to the World Bank (2023)**,** Zimbabwe's persistent external arrears and limited access to concessional finance have constrained investment, reduced private-sector confidence and slowed industrial recovery.

Real-time strategic security theory states that state security is more than territorial security and includes economic security, food security, state capacity, and institutional stability. This expanded framework was first established by Buzan (1991), who argued that during external coercive shocks, economic vulnerability directly and negatively affected state legitimacy and undermined internal social stability. Financial and security constraints in Zimbabwe have led to a cumulative impact on the Zimbabwean people and resulted in material effects on their well-being and livelihoods, including higher migration pressures, increased poverty and institutional problems. As Peksen (2019) states, comprehensive economic pressure can routinely trigger severe unintended humanitarian impacts that threaten the resilience of internal systems over the long term. This elucidates that a country's economic stability is inseparable from its strategic security, and that economic resilience is a key element in supporting a country's survival.

The impact of external economic containment is felt systemically, impacting regional trade integration and security frameworks as well as geopolitical stability. The negative consequences of the man-made economic sanctions on intra-regional trade, investment and refugee flows have been strongly advocated by regional security institutions, including the Southern African Development Community (SADC), which regularly call for their lifting. Regional economic isolation is recognised as a major impediment to economic and infrastructure development within the SADC framework. However, as shown by the African Union Commission (2022), a state accustomed to financial containment is compelled to rely on unconventional survival strategies, regional alliances, and alternative trade alignments, thereby creating local modes of survival for the state and regional political debate.

The study explores Zimbabwe's multidimensional strategic policy choices to mitigate the negative effects of international economic sanctions, ensure macroeconomic stability, and build national security resilience. Research literature has largely focused on the negative socioeconomic consequences of sanctions; however, some scholars, specifically Chidzanja (2026), have highlighted the need to consider both domestic policy frameworks and foreign policy changes. Based on this dual imperative, this paper critically examines existing counter-sanctions policies, including the ‘Look East Policy’, import substitution, and regional market integration

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under the AfCFTA, and proposes strategies and policies that support state sovereignty, promote industry recovery, and ensure sustainable development.

AIM

To examine policy options for mitigating the effects of international economic sanctions on Zimbabwe to promote economic recovery and strengthen national security.

Theoretical Framework

The study's theoretical framework will lay the groundwork and analytical structure, outlining the assumptions, concepts, and relations that frame the interpretation of the study's outcomes. In Creswell and Creswell's (2023) view, a theory provides a basis for situating the study within the existing body of research, enhancing the analysis and increasing its scholarly standing. International economic sanctions are shaped by both geopolitical competition and structural economic inequalities; no single theory clearly explains their causes and effects. Thus, the Realism Theory and the Dependency Theory are used as complementary theories for this study. Realism identifies the strategic motivations behind the imposition of sanctions, whilst Dependency Theory looks at how structural economic dependence would lead Zimbabwe, as a developing country, to be perceived as Vulnerable and thus subject to economic coercion by outside forces and long economic isolation.

Realist Theory, first influenced by Hans J. Morgenthau (1948) and developed by Kenneth Waltz (1979) maintains that the international system is anarchic, meaning that every state is a sovereign actor that views power, security and national interests as more important than everything else. Morgenthau (1948) states that states have all the means at their disposal to serve their strategic interests and shape the behaviour of other states, such as through economic sanctions. Waltz (1979) also argues that the distribution of power in the international system is the key to state behaviour, as the powerful have more influence over less powerful states. One of the key strengths of Realism is that it helps explain sanctions as rational tools of economic statecraft, serving to replace military action. Keohane and Nye (2012) disapprove of the theory, saying that it neglects economic interdependence, domestic institutions, and humanitarian consequences. This study defines Realism as Zimbabwe's economic diplomacy, regional cooperation, and Look East Policy as strategic choices to protect sovereignty, strengthen economic resilience, and improve Zimbabwe's national security amid prolonged international sanctions.

In the 1960s, Dependency Theory emerged as a critique of modernisation theory, which held that underdevelopment in the developing world is due to structural incorporation into an unequal global capitalist system. Frank (1967) believes that peripheral economies depend on the industrialised ones for their sources of capital, technology, money, and markets, and therefore are unable to develop on their own. Similarly, dependency also fosters unequal exchange by giving external producers control over internal production processes (Dos Santos 1970). Wallerstein goes on to argue that the world economy continuously enriches core states and impoverishes peripheral economies. The one important thing about Dependency Theory is that it explains why structures are vulnerable to sanctions. But it does not account well for home governance, institutional changes, and policy decisions, according to critics.

One of the main advantages of Dependency Theory is its ability to explain the vulnerability of developing nations to external economic coercion stemming from dependence on foreign capital, international financial markets, and export markets. Cardoso and Faletto (1979) argue that structural dependence results from unequal economic relations that restrict the ability of developing nations to develop autonomously, whereas Ferraro (2008) contends that dependency complicates policy manoeuvres and undermines sustainable economic change. The theory, however, is criticised by Kay (2010) for neglecting the importance of domestic governance, institutional quality and policy reforms. In this study, the concept of Dependency Theory is used to analyse Zimbabwe's vulnerability to sanctions and to champion economic diversification, industrialisation, and regional integration as methods of resilience.

The overall impact of international economic sanctions on Zimbabwe can be analysed using the two theories of Realism and Dependency Theory. Morgenthau (1948) describes sanctions as the strategic means used by strong states to defend their national interests and to shape the behaviour of weaker states in an anarchical international system. On the other hand, Frank (1967) shows how developing countries become exposed to external pressure and financial exclusion if they are structurally dependent on developed countries. Integrating these perspectives enables a holistic understanding of both the geopolitical motivations behind sanctions and Zimbabwe's economic vulnerabilities. Thus, both theories are utilised to assess policy options that enable a more robust economic recovery, stronger national resilience, and enhanced sustainable national security.

METHODOLOGY

This study employed a qualitative case study design to explore policy options to address the negative impacts of international economic sanctions on Zimbabwe and to understand the possible implications for economic recovery and national security. The qualitative approach was suitable because it allowed for an in-depth study of the complex political, economic, and security issues that could not be explained by the quantitative approach. Differences in the representation of the unit of analysis were controlled for, as Zimbabwe was purposively selected as the unit because it was one of the countries with the longest-standing sanctions regime imposed by the international community since 2002. The design of the case study enabled an in-depth investigation of the country's various policy measures, such as economic diplomacy, the Look East Policy, import substitution, regional integration, and industrial revitalisation, along with their historical and geopolitical context.

This study used only secondary data obtained through a systematic review of scholarly and policy materials. These sources include peer-reviewed journal articles listed on the Scopus, Web of Science, JSTOR, ScienceDirect and Google Scholar databases, as well as reports from the World Bank, International Monetary Fund (IMF), African Development Bank (AfDB), Southern African Development Community (SADC), African Union (AU), United Nations Development Programme (UNDP) and the Government of Zimbabwe. Based on the sanctions period, publications from 2002 to 2025 were selected using purposive sampling. Only materials in English, not duplicates, outdated, or non-peer-reviewed materials were included; only materials which directly addressed economic sanctions or economic recovery were included, and only materials that addressed national security or a national security and sanctions mitigation strategy were included.

Following Braun and Clarke (2006), the collected data have been analysed thematically. All relevant documents were read multiple times to become familiarised, and meaningful statements were coded in line with the study's goals. These codes were then consolidated into larger categories, such as economic diplomacy, regional integration, industrial revitalisation, economic diversification, governance improvements, food security and energy security, national security and resilience. The results presented here were strengthened by using "triangulated" evidence from various academic and institutional sources, and their interpretations of themes were kept consistent throughout. To maintain academic integrity, all sources were referenced accurately in accordance with APA 7th edition, and transparency, objectivity, and reproducibility were maintained throughout the research.

FINDINGS

Key Macro-economic Indicators During the Sanctions Period in Zimbabwe

Data collected from secondary sources from the International Monetary Fund (IMF) 2024, the African Development Bank (AfDB) 2022, the World Bank (WB) 2023, and the Reserve Bank of Zimbabwe (RBZ) 2023 show that Zimbabwe has remained a land of macroeconomic instability since 2000 to date, during the current sanctions regime. The economy was marked by negative GDP growth, fluctuating foreign direct investment inflows, high inflation, exchange rate volatility, and limited availability of international financing. The situation undermined industrial productivity, investor confidence and economic recovery. The results indicate that overall sanctions, together with the domestic structural issues, substantially affected Zimbabwe's macroeconomic stability and long-term economic resilience.

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Table 1: Summary of Key Macroeconomic Indicators During Zimbabwe's Sanctions Period (2000–2023)

Indicator	Observed Trend	Strategic Implications
GDP Growth	Significant decline in the early 2000s, followed by recovery after 2009, with continued fluctuations thereafter.	Demonstrates the economy's vulnerability to external shocks and highlights the importance of economic resilience measures.
Foreign Direct Investment (FDI)	Volatile inflows, with an overall decline during much of the sanctions period.	Reduced investor confidence constrained capital formation, industrial growth, and technology transfer.
Inflation	Escalated to hyperinflationary levels during the late 2000s before stabilising and later re-emerging in varying degrees.	Undermined macroeconomic stability, eroded purchasing power, and weakened public confidence in economic institutions.
Access to International Finance	Limited access to international credit facilities and development finance throughout much of the sanctions period.	Restricted external borrowing capacity and reduced resources available for infrastructure and national development programmes.

Source: Compiled from World Bank (2023), IMF (2024), African Development Bank (2022), and Reserve Bank of Zimbabwe (2023).

The results, as shown in Table 1, reveal high economic growth volatility in Zimbabwe during the sanctions regime from 2000 to 2023. The World Bank (2023) reported that the State's economy experienced a sharp decline in GDP in the early 2000s due to the country's declining industrial production, coupled with low investment and prevailing macroeconomic instability. After the introduction of a multi-currency system in 2009, there was some improvement in economic growth, although it remained weak due to frequent fiscal imbalances, currency instability, and external financing pressures. Similarly, the IMF (2024) reports Zimbabwe's mixed economic performance over time, due to structural weaknesses that have constrained the economy's ability to grow sustainably despite some economic reform efforts and favourable commodity prices.

Foreign Direct Investment (FDI) was also substantially limited and volatile throughout most of the sanctions period, evidence of diminished investor confidence and restricted availability of international capital markets. According to the African Development Bank (2022), private foreign long-term investments were deterred by policy uncertainty, exchange rate instability, and governance problems, thereby limiting industrial growth and job creation. Similarly, the World Bank (2023) notes that, due to limited access to foreign finance and ongoing macroeconomic volatility, Zimbabwe failed to attract productive investment and adopt modern technology. This resulted in lower FDI inflows, which in turn affected the country's capacity to increase capital accumulation, slow industrial development, reduce economic diversification, and thus decrease the capacity for sustained economic recovery and enhance national economic resilience in the long term.

The results also confirm that inflation was another chronic macroeconomic problem in Zimbabwe during the sanctions period. The Reserve Bank of Zimbabwe (2023) reports that Zimbabwe faced unparalleled hyperinflation in the late 2000s, which reduced the purchasing power of home-based checks, thereby impacting the business sectors and eroding confidence in the domestic currency. Despite the launch of the multi-currency regime in 2009, which brought inflation down, fiscal imbalances, currency devaluation, and monetary instability resulted in an upsurge in inflationary pressures, according to the International Monetary Fund (2024). More severe inflation, therefore, led to a rise in the cost of living, reduced private investment, and hampered macroeconomic stability in Zimbabwe, hindering its economic recovery and national development.

Zimbabwe's ability to mobilise external resources for development was also severely hampered by continued restrictions on access to international finance during the sanctions period. A lack of investment in infrastructure, social services, and the productive economy was driven by ongoing external debts and limited availability of concessional financing (World Bank 2023). Likewise, limited access to international credit further reduced fiscal capacity, public investment, and the ability to implement long-term development programmes, according to the African Development Bank (2022). The findings indicate that financial isolation, in addition to the economic challenges at home, decreased Zimbabwe's ability to invest in economic transformation, to boost productive economic sectors, and to monitor shocks from outside its economy in the future.

The macroeconomic indicators in Table 1 indicate that Zimbabwe's economic performance was constrained by ongoing structural and financial challenges throughout the sanctions period. The International Monetary Fund (2024) states that macroeconomic stability, fiscal discipline, and enhanced access to international finance need to be restored to regain investor confidence and boost productive investment, ensuring a sustainable economic recovery. Also, the World Bank (2023) highlights that institutional governance is a necessary pillar for long-term growth and resilience, as is economic diversification and private investment. The learnings from the observed trends create a window for implementing effective sanctions mitigation, which must be a mix of sound domestic economic reforms, coupled with regional integration, economic diplomacy and industrial revitalisation, to boost Zimbabwe's economic recovery and strengthen national security resilience.

Existing Sanctions Mitigation Measures in Zimbabwe

The country implemented policy measures following the introduction of international economic sanctions in 2002 to address economic vulnerability and strengthen national resilience. These initiatives have been directed towards consolidating economic diplomacy, deepening cooperation in the region, promoting regional self-sufficiency and broadening ties with foreign partners. These measures aimed to reduce the negative impact of financial exclusion and investment deficits, and were limited by the chronic volatility of the macroeconomic climate, institutional deficiencies and limited access to international financial mechanisms (Chigora and Ziso, 2020; Mlambo and Ncube, 2021).

Table 2: Summary of Existing Sanctions Mitigation Measures

Mitigation Measure	Objective	Achievements	Limitations
Look East Policy	Diversify partnerships	Increased Chinese and Russian investment	Limited industrial transformation
Regional Integration	Expand markets	SADC support	Limited regional market size
Import Substitution	Promote local production	Increased local manufacturing	Capital and energy constraints
Economic Diplomacy	Re-engagement	Improved dialogue	Slow progress
Industrialization	Economic recovery	SME growth	Financing challenges

Table 2 reveals that the Look East Policy was Zimbabwe's most visible foreign policy initiative to diversify its relationships and reduce the negative consequences of external sanctions. The achievements captured show that the policy had an effect in attracting mining, infrastructure, energy and other investments from China and Russia, reducing Zimbabwe's reliance on Western sources of development assistance. However, this table also shows that these investments led to only a small amount of industrial transformation, meaning that economic cooperation did not significantly bolster the domestic capacity of industry. This is attributed to the policy focusing on out-of-the-box partnerships by Ncube and Mlambo (2021) and Dendere (2022), and to investment being directed primarily toward resource extraction rather than value-added industries.

A critical step towards addressing Zimbabwe's economic isolation was the establishment of mechanisms for regional integration, which aimed to expand trade opportunities and strengthen diplomatic ties in Southern Africa. There has been an increased involvement in the Southern African Development Community (SADC) and the Common Market for Eastern and Southern Africa (COMESA), which helped Zimbabwe open up the regional market even in the face of limitations imposed by Western countries. SADC consistently protested against the sanctions because they "stimulated the integration of regional economies; investment and sustainable development" (Ndlovu-Gatsheni, 2021). In addition to diplomatic support, regional cooperation facilitated policy coordination and transborder trade. However, Aning and Edu-Afful (2016) note that inadequate industrial capacity and, within the country, smaller regional markets, lessened the impact of this strategy on offsetting limited access to global finance and international export markets.

The objective of import substitution was integral to Zimbabwe's sanctions mitigation measures and focused on encouraging local production, thereby limiting reliance on imports and foreign markets. The policy promoted the production of locally needed items by local industries, thereby fostering employment and the economic autonomy of those industries. Despite the harsh operating conditions, Moyo (2020) believes that import substitution led to a surge in manufacturing production in certain companies. Its overall impact has been limited by outdated industrial machinery, intermittent electrical power, high production costs, and a lack of access to cheap credit. Research by Scoones, Murimbarimba and Mahenehene (2019) also notes that a slowdown in agriculture diminished the availability of raw materials for the growth of industrial sectors, thereby mitigating the likelihood of sustained economic recovery from disruptions.

One of the economic dimension policies also aimed to re-establish Zimbabwe's economic relations with the international community and to open new opportunities in the face of its continuing sanctions. The policy on bilateral relations was enhanced to encourage bilateral summits and discussions on trade and to rehabilitate confidence in the investments in the region and emerging economies through diplomatic efforts. These initiatives were seen as enhancing Zimbabwe's international profile and helping bring the country into conversations with development partners (Mlambo & Ncube, 2021). However, meaningful economic reintegration was not forthcoming, as sanctions continued to create investor hesitation and foreign loans were costly. Sachikonye (2021) argues that economic diplomacy succeeds only when paired with complementary domestic reforms to build policy credibility, boost trust and governance, and bolster investor confidence.

Table 2 also shows that the main focus of industrialisation was to provide a long-term solution to secure the nation’s economic recovery by strengthening domestic industries and developing small and medium enterprises (SMEs). The success suggests that the development of SMEs helped create jobs and boost local output, thereby easing the hurdles facing the economy in such a precarious situation. However, financing constraints were also limiting industrial expansion and the modernisation of productive sectors, as the table indicated. The African Development Bank (2022) attributes the lack of investment and industrial competitiveness to weak industrial competitiveness, while the International Monetary Fund (2023) argues for stable macroeconomic policies, better access to financing, and supportive institutional reform. The results indicate that, to further contribute to economic resilience and minimise external economic shocks affecting Zimbabwe, industrialisation is important.

Economic Strategies for Mitigating Sanctions

The results show that to create a more resilient economy, sustainable approaches, through measures that reduce the vulnerability of Zimbabwe to economic shocks, need to be implemented. The proposed economic measures are all directed towards strengthening domestic productive capacities and advancing industrial development and macroeconomic stability in the face of ongoing sanctions. The African Development Bank (2022) points to the importance of economic diversification and industrial development for long-term economic growth, and the International Monetary Fund (2024) notes that "Sound macroeconomic policies and structural reforms are necessary to rebuild investor confidence and catalyse the long-term economic recovery.

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Table 3:Economic Strategies for Mitigating International Economic Sanctions in Zimbabwe

Economic Strategy	Quantitative Evidence
Economic Diversification	Merchandise trade accounted for 46.7% of GDP in 2023.
Industrial Revitalisation	FDI inflows were only 1.1% of GDP in 2024, indicating weak external investment.
Monetary and Financial Reforms	Consumer inflation reached 104.7% in 2022, reflecting persistent macroeconomic instability.
Export Promotion and Trade	Export value index (2000 = 100) increased to 220.8 in 2023, while the export volume index reached 159.4.
Investment Mobilisation	Goods imports exceeded exports by approximately US$1.45 billion in 2023, indicating a trade deficit.

Source: Compiled from World Bank World Development Indicators (2023–2024) and World Integrated Trade Solution (WITS, 2024).

Table 3 reveals that Zimbabwe continued to rely heavily on international trade in 2023, with merchandise trade representing 46.7% of GDP. The discovery indicates that exports remain a key pillar of economic activity, but also that the economy is vulnerable to external factors, such as disruptions in external markets and falling commodity prices. This interdependence further calls for economic diversification and value addition, along with increased domestic productive activities, to reduce vulnerability to external shocks. World Bank (2024) states that value-adding processes help to improve export competitiveness and enable economic resilience. Economic diversification is also cited by the African Development Bank (2022) as one of the drivers of economic growth, job creation and industrialisation.

As illustrated in Table 3, despite industrial revitalisation policies, Foreign Direct Investment (FDI) inflows contributed a scant 1.1% to Zimbabwe's GDP in 2024, suggesting overall poor success in attracting foreign investment. The low FDI level indicates that existing interventions have been inadequate in overcoming investors' concerns about macroeconomic uncertainty, policy stability, and access to international financing. As a result, industrial growth, technology transfer and employment generation have decreased to inadequate levels to ensure sustainable economic recovery. The World Bank (2024) points to an unfavourable business climate and limited access to finance as drivers of low investment performance, while the International Monetary Fund (2024) notes that macroeconomic reforms and institutional stability are needed to boost long-term productive investment and enhance industrial competitiveness.

Table 3 shows that despite some monetary and financial reform measures, Zimbabwe experienced an increased consumer inflation rate of 104.7% in 2022. This high inflation rate reduced the purchasing power of the population, increased businesses' operating expenses, and eroded faith in the home currency, hindering economic recovery. The findings also imply that the previously employed policy strategies in the country were inadequate in ensuring price stability and confidence in the investment climate. The International Monetary Fund (IMF, 2024) cites exchange rate volatility, fiscal imbalances and monetary policy weaknesses as the causes of inflationary pressures in Zimbabwe. The World Bank (2024) also states that macroeconomic stability will remain crucial to sustaining long-term economic growth, which will require the ability to manage the budget responsibly and credibly, as well as adopting prudent monetary policies and enhancing institutional governance.

The results show that the export value index for Zimbabwe has risen to 220.8 in 1 year 2023, while the export volume index has climbed to 159.4 in value during that period, implying export earnings have expanded at a rate quicker than export volume. This difference suggests that the increase in export proceeds was more related to external commodity price behaviour than to greater growth in production and value addition within the country. These results underscore the importance of diversifying the range of export products and developing value-added

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export industries to maintain export volume. In particular, the World Integrated Trade Solution (2024) points to the greater resilience of economies with more diversified export portfolios against external market shocks, and the World Bank (2024) highlights the importance of export diversification in boosting competitiveness, foreign exchange earnings, and long-term economic resilience.

The results also showed that Zimbabwe ended 2023 with a trade deficit of around USD1.45 billion, with goods imports outpacing goods exports. This result indicates that domestic production was insufficient to meet projected national demand, thereby creating dependence on foreign support systems and depleting foreign exchange reserves. The continuing trade imbalance also demonstrates that, despite implementing the measures associated with "sanctions mitigation activities", there is a lack of competitiveness of industry and of consolidated export diversification. To reduce bilateral trade deficits and enhance external competitiveness, advances in domestic productivity and the development of value-added industries are crucial, as stated by the World Bank (2024). The African Development Bank (2022) also posits that "quantum leaps in investment in areas of productive activity are essential for reducing import reliance, bolstering exports and strengthening long-term economic resilience".

The findings in the table above show that Zimbabwe's offered economic policies contain most of the key macroeconomic vulnerabilities, but the success of the policy implementation and institutional change is dependent on their continued implementation. The quantitative data show a continued incidence of investment mobilisation, inflation management, and competitiveness in trade, which suggests that isolated measures are unlikely to yield sustained economic recovery. The results, however, call for an integrated approach to advance economic diversification and industrial revitalisation, alongside macroeconomic stability, export promotion, and investment attraction. The African Development Bank (2022) also stresses that coordinated industrial and trade policies are necessary to build economic resilience, accelerate recovery, and support national security, while the International Monetary Fund (2024) states that macroeconomic stability will require structural reforms.

Diplomatic and Foreign Policy Strategies

The results show that diplomatic and foreign policy actions are at the core of Zimbabwe's efforts to address the negative impact of global economic sanctions and build national resilience. Strategies include expanding international partnerships, strengthening regional cooperation and increasing economic re-engagement to diminish financial isolation. Ndlovu-Gatsheni (2021) believes that regional diplomacy facilitates joint responses to external economic shocks, while Sachikonye (2021) posits that continued diplomacy will enhance the investment climate, international cooperation, and greater access to development partnerships for prolonged recuperation.

Table 4:Diplomatic and Foreign Policy Strategies for Mitigating International Economic Sanctions in Zimbabwe

Diplomatic Strategy	Secondary Quantitative Evidence
Economic Diplomacy	Zimbabwe received US$439.1 million in Foreign Direct Investment (FDI) inflows in 2024, reflecting continued but limited investor confidence.
Regional Integration	Intra-African exports accounted for approximately 31% of Zimbabwe's total exports in 2023.
African Union (AU) Advocacy	54 African Union member states provide a continental platform for coordinated diplomatic engagement on sanctions-related issues.
South–South Cooperation	BRICS expanded from five to ten members in 2024, increasing opportunities for trade, investment and development financing.

International Re-engagement	Zimbabwe's external public and publicly guaranteed debt exceeded US$21 billion in 2024, underscoring the need for debt restructuring and renewed engagement with international financial institutions.

Source: Compiled from UNCTAD World Investment Report (2025); World Bank World Development Indicators (2024); World Integrated Trade Solution (WITS, 2024); African Union (2024); International Monetary Fund (2024).

Table 4 shows that Foreign Direct Investment (FDI) inflows to Zimbabwe totalled US$439.1 million in 2024, demonstrating that economic diplomacy, despite long-term international sanctions, has attracted modest investment. This has been a higher investment amount compared to previous years and shows ongoing participation in external partnerships, but is still insufficient to encourage significant industrial change and economic recovery. The findings indicate that while diplomacy has won investors' support, it has fallen short of addressing constraints linked to macroeconomic instability and financial isolation. UNCTAD (2025) identifies good practices in investment promotion and bilateral cooperation as drivers of continued growth in FDI, while the World Bank (2024) reiterates that strengthening governance, policy stability, and the investment climate is key to attracting productive, long-term FDI.

Table 4 indicates that in 2023, Zimbabwe exported about 31% of its total exports to African markets, underscoring the growing importance of regional integration in mitigating the impacts of international economic sanctions. The discovery is that these regional markets now represent a significant alternative to exporting to traditional non-African markets, supporting exporters and reducing reliance on those markets. Greater involvement in SADC, COMESA and the African Continental Free Trade Area (AfCFTA) thus presents the opportunity to build up intra-African trade and regional value chains. The World Integrated Trade Solution (2024) suggests that integrating African regional markets with that aim can support export diversification, and the African Development Bank (2022) explains that regional integration provides greater economic resilience through strengthened trade connections and industrial development.

The results suggest that the African Union (AU), the union of 54 countries across the continent, offers Zimbabwe a broad continental forum for advancing its diplomatic engagement on international economic sanctions. The significance of this institutional capacity is that collective African diplomacy would raise Zimbabwe's profile in multilateral fora and boost its arguments for either a revision or lifting of the sanctions on the country. Coordinated advocacy across the region also strengthened political unity and helped to promote the continent's development targets. The African Union Commission (2024) supports Africa's contributions to global governance through collective engagement, and Ndlovu-Gatsheni (2021) contends that, under external economic pressures, regional diplomatic solidarity is needed to safeguard economic sovereignty and stability in the region. (110 words)

Results indicate that BRICS went from five to ten member states in 2024, offering broadened prospects for strengthening South–South cooperation for Zimbabwe. The expansion creates greater opportunities for access to alternative investment, technology transfer, development finance, and new export markets outside Western economies. The implication of this finding is that Zimbabwe, by pursuing deeper ties with emerging economies, may reduce its reliance on conventional financial institutions and diversify its economic relations with the world. According to Stuenkel (2023), BRICS is growing in significance for developing countries as an alternative platform for economic cooperation and global influence, and UNCTAD (2025) states that favourable South–South investment partnerships help build economic resilience through trade and investment channels among developing economies.

As shown in Table 4, Zimbabwe's public and publicly guaranteed external debt issue hit US$21 billion in 2024, underscoring the need to reinvigorate international re-engagement efforts. Excessive workload on hands has restricted the availability of concessional loans in the country, increased the debt-servicing burden and diminished the fiscal room for investment within the productive part of the economy. The finding indicates that, to restore macroeconomic stability and sustainable development, debt restructuring and renewed dialogue with international financial institutions are crucial. Addressing debt sustainability is key to fiscal sustainability and, in turn, to restoring investor confidence, as stressed by the International Monetary Fund (IMF) (2024). The World Bank (2024) also states that re-regionalization of financial links from external sources is key to unlocking development finance and faster economic recovery in the long term.

The results in Table 4 collectively indicate that diplomatic and foreign policy approaches remain essential to addressing the impact of international economic sanctions on Zimbabwe. Increased foreign investment, regional trade and more extensive international cooperation have brought about positive change, as evident in the quantitative evidence. Despite these diplomatic efforts, though, continued debt commitments and limited access to the world's financial markets still hinder their effectiveness. These results therefore suggest that these strategies of economic diplomacy, regional integration efforts, advocacy of the African Union, south–south cooperation, and international re-engagement should be undertaken as complementary strategies rather than at the exclusion of one another. Coordinated engagement by external parties is critical to building economic resilience, attracting investment, and enabling sustainable national recovery, according to the African Development Bank (2022) and the International Monetary Fund (2024).

DISCUSSIONS

The findings showed that Zimbabwe experienced reduced growth, volatile FDI flows, high inflation, and limited access to global finance during the sanctions period, thus confirming that the sanctions exerted significant pressure on Zimbabwe's economy. Results are in line with Peksen (2019), who states that long-lasting economic sanctions typically lead to lower investment and hinder productive sectors and long-term development in targeted states. Similarly, Biersteker, Eckert and Tourinho (2016) note that economic recovery has also been hampered by restrictions on access to international financial capital, underpinned by financial sanctions. The results thus corroborate the existing evidence of the considerable macroeconomic vulnerabilities that can arise in the context of economic sanctions and, accordingly, call for comprehensive policy responses.

The research also found that Zimbabwe has adopted several mitigation measures such as the Look East Policy, regional integration, ISI, economic diplomacy and industrialisation, but their impact has been limited by structural weaknesses in the economy and ongoing financial detachment. The results are similar to those of Ncube and Mlambo (2021), who find some degree of diversification in Zimbabwe's international relations and limited industrial development as a result of the Look East Policy. The results are also consistent with those of Dendere (2022), who contends that external partnerships alone are insufficient to achieve sustainable economic recovery if domestic reforms are not implemented alongside them. Similarly, Sachikonye (2021) notes that to achieve meaningful economic reintegration through successful economic diplomacy, credible governance reforms, institutional stability and investor confidence are needed.

The economic strategies proposed in this study, such as economic diversification, industrial revitalisation, monetary reforms, export promotion and investment mobilisation, reflect those sustainable sanctions mitigation does not require short-term economic responses but rather entails a structural transformation. The results show that overreliance on primary commodities, a lack of investment inflows into Zimbabwe, and high inflation remain significant challenges to the country's economic recovery. The results align with the African Development Bank (2022), which identifies economic diversification and industrialisation as key pillars for boosting productivity, job creation, and inclusive growth in African economies. Similarly, the World Bank (2024) reports that economies with a variety of production sectors are more resilient over time to external shocks because they have diverse export industries.

The study also found that increased macroeconomic stability and an improved investment climate are essential to attract productive investment to the industrial sector and promote its recovery. High inflation and the continuous drain of foreign currency (DFI) in this study, and high trade deficit indicate that it is not enough to take isolated measures for economic confidence. The results echo those of the International Monetary Fund (2024), which state that investor confidence requires credible fiscal discipline, prudent monetary policies, and institutional reforms to ensure sustainable economic growth. On the same note, the World Integrated Trade Solution 2024 indicates that value-added exports and trade competitiveness reduce sensitivity to commodity markets, foster economic resilience, and support sustainable national growth.

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The findings also show that the diplomatic and foreign policy approach continues to play a crucial role in Zimbabwe's mitigation strategies to address the impact of international economic sanctions. Foreign direct investment (FDI) has also increased; regional trade and external contacts with expanding emerging economies signal alternative economic opportunities resulting from diplomatic efforts, though financial limitations have not abated. These results corroborate those of Ndlovu-Gatsheni (2021), who further contended that regional diplomacy boosts collective responses to external economic pressures, thereby enhancing economic sovereignty. This also underscores their support for Sachikonye (2021), who has argued that diplomacy and dialogue mitigate and increase the prospects for investment, trade and international relations and cooperation. The study revealed, however, that diplomatic measures alone are insufficient to reverse financial isolation when matched with insufficient complementary domestic economic reforms and institutional strengthening.

The study has shown that mitigating the impact of international economic sanctions requires an overarching policy response that combines a series of economic measures with more proactive diplomatic action. Although previous reports have focused on the socioeconomic impacts of sanctions, the findings here indicate that, for sustainable recovery, it must include economic diversification, industrial revitalisation and regional integration, investment mobilisation, and international re-engagement. This is a development of the very valuable study by Peksen (2019), which showed that mitigation of sanctions should be addressed not only in terms of the limitation of economic damages but also in terms of national resilience and strategic autonomy. Also, Buzan (1991) states that economic capability is an essential and integral part of national security, since stable economic development increases a state's resilience, efficiency, and ability to withstand coercive external factors.

CONCLUSION

The study finds that international economic sanctions have had a pronounced impact on Zimbabwe's macroeconomic balance, including decreased economic growth, limited foreign direct investment, increased inflation, and limited access to international finance. The results also show that, while Zimbabwe adopted a series of Look East policies, regional integration, import substitution, economic diplomacy, and industrialisation policies, the lack of structural economic development and financial isolation limited their success. These results underscore that the success of sanctions mitigation cannot be achieved through individual policy measures, and that efforts to build economic resilience in the States and promote sustainable national development should involve a wide range of international cooperation.

The study also finds the need for coordinated implementation of economic and diplomatic strategies to ensure sustainable economic recovery and national security resilience. Economic diversification, industrial revitalisation, export promotion, investment mobilisation, regional integration, and international re-engagement were the most suitable policy measures likely to minimise Zimbabwe's exposure to external economic shocks. The study thus urges support for domestic productive capacity, better governance, macroeconomic stability, and the broadening of strategic relationships with other economies in the region and with emerging economies. Therefore, the application of these complementary policy measures would enhance economic competitiveness, increase Zimbabwe's capacity to absorb productive investment, support the defence of the Zimbabwean economy against external economic shocks, and contribute to long-term economic renewal and national security.

RECOMMENDATIONS

Based on the results, the study recommends that the Government of Zimbabwe implement a policy mix in which economic restructuring is complemented by proactive diplomatic outreach to help cushion the impact of international economic sanctions.

- Macroeconomic stability should be strengthened by pursuing sound monetary and fiscal policies, economic diversification and value addition, domestic industry revitalisation, and boosting the investment climate for attracting domestic and foreign investments.
- The government should also accelerate regional integration under SADC, COMESA and the African Continental Free Trade Area (AfCFTA); and reinforce economic diplomacy and international re-engagement efforts to enhance access to development financing and markets.

- Also, there is a need to complement institutional governance, policy consistency and a strong public–private partnership to boost investor confidence, promote sustainable industrialisation and establish enduring economic capacity for safeguarding Zimbabwe's national security and sustainable development.

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