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A WAR of words is raging between Reserve Bank governor Gideon Gono and Mutumwa Mawere over the nationalisation of the self-exiled tycoon's business empire.

Mawere, a charismatic exponent of indigenisation, has launched a scathing attack on Gono, accusing him of masterminding the take-over of his businesses by government and of playing "Godfather" in illegal foreign currency deals.

In an interview this week, Gono strongly rejected the charges and accused Mawere of insincerity.

The *Zimbabwe Independent* can reveal that despite the current row, last year Gono and Mawere were writing each other cozy e-mails in which they accused the media of trying to drive a wedge between them.

The letters were prompted by an article published in this paper last June in which Mawere attacked Gono for acting like a policeman, prosecutor and judge. But despite reassuring missives between the two, their relationship was souring in the wake of the accusations.

Mawere has alleged that relations with Gono became strained in 2000 after the CBZ, which Gono headed at the time, purchased US\$2 million from Mawere's Shabani Mashava Mines (SMM) to procure fuel.

Mawere said he discovered that Gono was operating a slush fund to which he was crediting proceeds from fuel deals. He alleges that Gono sought to use his (Mawere's)

name in "fraudulent" activities by indicating on a bank document: "Pay Mawere/Hilary \$10 million".

"Hilary" referred to SMM chief executive Hilary Munyati.

"I then contacted Gono to investigate what was at play in the transaction," said Mawere. "I met with him and showed him the document and asked him to explain the brokerage account and why my name was on the document.

"Gono apologised," Mawere claimed, "for the use of my name but I demanded that SMM be refunded the money diverted by CBZ to the brokerage account. Initially Gono refused to refund the money. He finally relented and refunded \$10 000 000 to SMM in 2003. Hilary can confirm this because the cheque was delivered to him."

The relationship between the two worsened after this episode.

"I think he thought I was going to expose CBZ's secret brokerage account where billions of dollars could have been siphoned. When he became governor, I knew it was going to be revenge time but I did not know he could go to this extent," said Mawere.

Gono this week admitted that SMM availed US\$2 million to CBZ.

He said at the time the deal was negotiated the exchange rate was US\$1:\$38 but the rate moved to US\$1:\$55 at the time the money was paid out. He said when it came to paying Mawere the Zimbabwe dollar equivalent of the forex availed, he demanded to be paid at the higher exchange rate.

"Mawere came to me fighting to be paid the difference," said Gono. "We had a number of meetings with him and eventually I authorised that he be paid. This is the reference you see on the documents that you have," Gono said.

"We were handling transactions for the procurement of fuel and like any bank we charged a fee," he said.

"Every bank operates this. You can call it a commission account or slush fund but there is nothing irregular here. Every bank operates such an account. It is a technical account which if portrayed in a certain way can project certain negativities."

Gono brushed aside as "madness" allegations that he operated a slush fund at the CBZ whose proceeds he used to build a "100-bedroomed" mansion, as claimed by Mawere, and to pay his cronies in government.

"I have not wanted to lend dignity by commenting on accusations that border on madness. My request to those peddling such lies is for them to retreat to the remaining corner of dignity and truthfulness," Gono said.

"I would challenge anyone telling these lies to swear by the Bible that this is the situation," he said.

Mawere is an angry man after the loss of his companies, including the giant asbestos miner SMM, to government. He is also wanted by police on charges of externalising forex worth \$300 billion. He blames Gono for his misfortunes.

Curiously, documents to hand show that Mawere in June last year wrote to Gono disavowing a story in the *Independent* in which he attacked Gono. In an emotional

response written in Shona two days later, Gono expressed his consternation at the contents of the article.

"Ndinotenda nemashoko ako mwana waamai. Ichokwadi kuti ndanga ndichishushikana mupfungwa nokuedza kutsvara ndangariro dzangu kuti ndinyatsoyeuka kuti patakadzirana ndepapi asindichishaya kupaona kana kuparangerira. (Thanks for your message. It is true that I have been troubled and searching my thoughts to remember where we clashed but I failed)," said Gono.

In the letter, Gono said the last time the two met Mawere wanted help from the governor to reconcile him with two banks.

Gono also claimed that he had received information that Mawere was plotting to harm his reputation in Zimbabwe and abroad.

But Mawere in his response said there were people trying to drive a wedge between them.

"My concern remains that someone out there seems to enjoy separating us," he said. "It is clear that someone is spinning for a benefit that is not in the national interest."