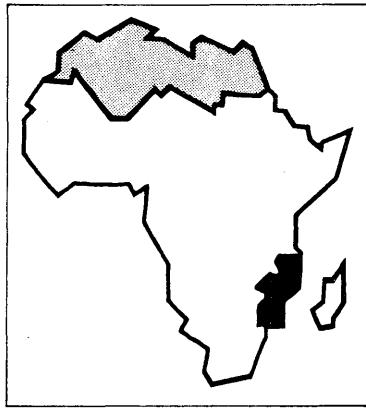


MOZAMBIQUE



Area: 783,030 sq. km.

Population: 9.4 million (1976 estimate).

Capital: Maputo.

Principal Towns: Nampula, Beira, Quelimane, Xai-Xai, Inhambane and Tete.

Date of Independence: 25 June 1975.

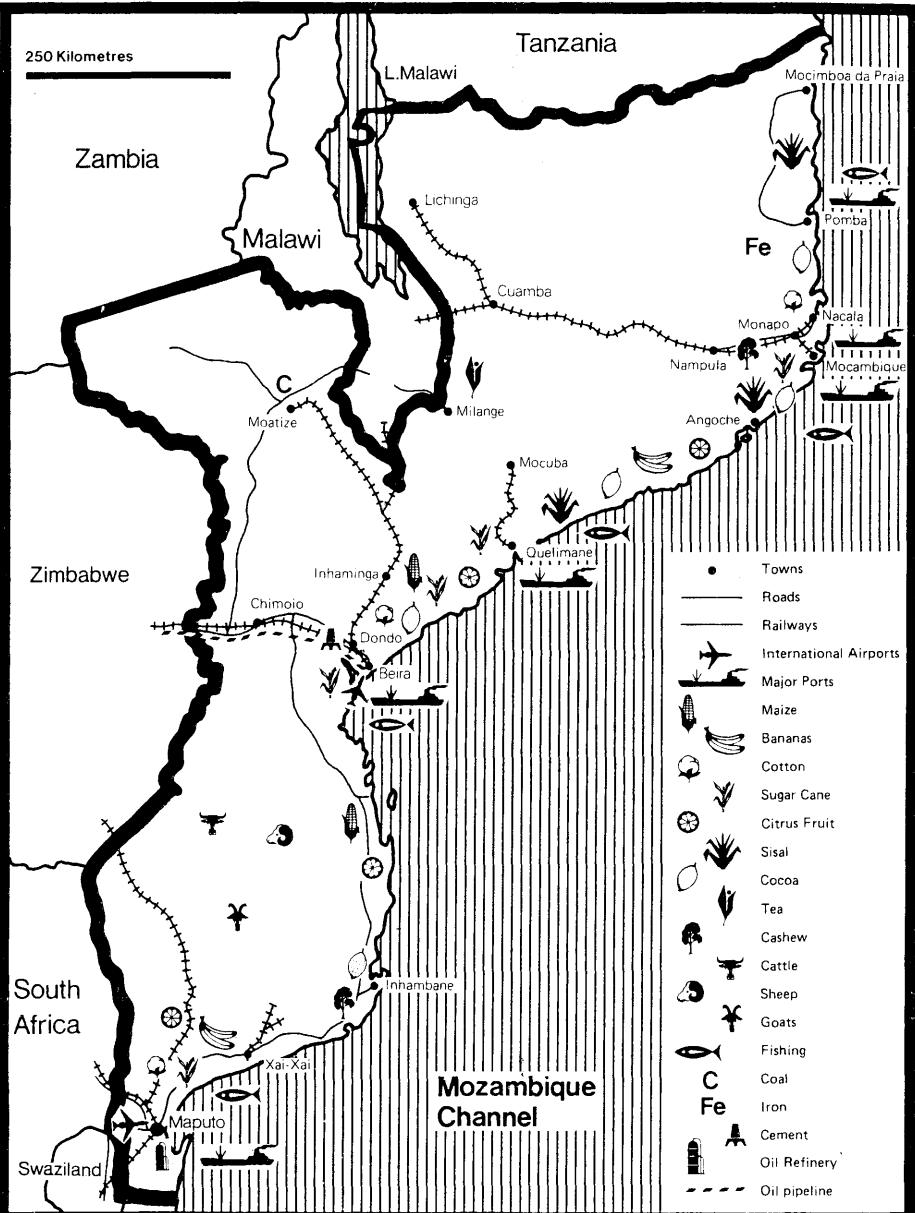
Head of State: President Samora Moises Machel.

Government: The President of the Republic is also president of the single party, Frelimo. The President holds executive power and governs with the assistance of an appointed Council of Ministers. There is a People's Assembly composed of Frelimo members. Frelimo is officially designated a Marxist-Leninist vanguard party. Head of State, President Machel, is also Commander-in-Chief of the Mozambique People's Liberation Forces.

Languages: Portuguese is the official language. Chief ethno-linguistic groupings are the Makua-Lomwe, among whom there are many tribal variations. Swahili is spoken on the coast of Cabo Delgado and Mozambique districts.

Religion: Religious beliefs are extremely diverse. There are large numbers of Christians—mainly Catholics—and Muslims especially north of the Zambesi, but the majority follow traditional African religious practices.

Currency: Mozambique escudo, divided into 100 centavos.
£1.00=66.88 escudos;
\$1.00=30.93 escudos.



GENERAL INFORMATION

Geography: Mozambique has 2,470 km. of shoreline, mostly sandy with lagoons and coastal inlets. There is a broad coastal plain rising to plateaux and mountains towards the Zimbabwean, Zambian and Malawian borders. The country is crossed by a large

number of rivers, including the Zambesi, which is navigable for 460 km. and on which the Cabora Bassa dam project is sited, the Limpopo and the Save.

POLITICAL HISTORY

People: Most important among the numerous ethnic groups are the Makua-Lomwe (who probably account for about 40% of the population and who belong to the central Bantu), the Thonga, the Chopi, the Tonga, the Shona and the Makonde. There are small Asian and European minorities.

Climate: From April to September the climate is mainly dry and temperate; from October to March is the hot, wet season, with average temperatures between 27°C and 29°C on the coast. Inland, temperatures are generally lower and there is higher rainfall.

Banking: All the banks are nationalised. The bank of issue is the Banco de Moçambique.

Air Transport: The main airports are the international airport of Mavalane (8 km. from Maputo centre) and Beira. DETA is the Mozambican airline and operates regular international and internal flights.

Road Transport: There are good roads connecting Mozambique with neighbouring countries, and internal communications have also improved. There is a tarred road connecting Maputo with Beira and Beira with Tete.

Rail Transport: The rail network is primarily designed to provide Mozambique's landlocked neighbours with access to the sea. All railways are state-owned, except the Trans-Zambesia Railway to Malawi.

Sea Transport: Maputo is one of Africa's largest ports. Beira, Nacala and Quelimane are also important. Maputo and Beira have chiefly provided outlets for goods from neighbouring countries.

Television and Radio: All broadcasting is state-controlled. There is no television in Mozambique.

Press: There are two dailies, *Notícias* and *Notícias de Beira*, and a number of periodicals.

Armed Forces: Army 22,800, navy 700, air-force 500. □

Mozambique, as one of the three former Portuguese colonies in Africa which liberated themselves by popular armed struggle, is making a striking departure from the conventional processes of decolonisation on the continent. In large measure the distinctive passage to independence is a product of a nationalist movement of a different type. This in turn has its origins in the specific conditions of Portuguese colonialism.

Portugal was Africa's earliest but feeblest coloniser. It staked claims to an empire in Mozambique as early as the 16th century, but its writ ran little further than the trading enclaves along the coast and the trade routes in the interior. It was a mercantile empire, dragging profits in gold, ivory and slaves out of African principalities conducting vigorous trading systems of their own. The limits of this empire were the weakness of metropolitan Portugal, unable to compete with industrialised European powers and to consolidate its own home capitalism. In Mozambique, therefore, Portugal was able to colonise only unevenly and by proxy. This was done in several ways. The *prazos* or privately owned agricultural estates which date from the 17th century, especially in the Zambesi Valley, were obtained by conquest or by grant from African chiefs or the Portuguese crown, but though they achieved a large measure of political independence and survived for three centuries, they did little to organise agricultural production and gained their income principally by extracting produce from peasant agriculture. In the 1890s a different form of proxy colonialism was devised when Portugal granted three foreign charter companies territorial concessions over huge tracts of land in the north; they had rights to economic exploitation but were virtually foreign company governments. With the installation of Salazar's New State in the 1920s an attempt was made to seal the colonies off from non-Portuguese investment and to operate a protectionist policy to tie the colonies and their trade more closely to the coloniser. However, with the outbreak of the liberation wars of the 1960s, Portugal was once again compelled to lean on its international allies.

Colonial Mozambique was thus subject to the dictates of both Portugal and her foreign backers. As its home economy buckled under the challenge of the liberation wars, Portugal ceded ground more and more, especially after the 1960s, to South Africa, which overtook Portugal as the main source of Mozambique's imports and which wrapped Mozambique's labour and her ports and harbours into the needs of the South African economy, to the point that about two-thirds of Mozambique's foreign currency earnings came from South Africa. A large proportion of this revenue was from the sale of labour to South Africa's mining industry, for the backwardness of Portuguese colonialism also showed in primitive if brutal forms of labour use: when slavery was ended in the 19th century forced labour took over. Every man was compelled to do six months compulsory labour a year and in the south the greater part of the workforce was bartered to South Africa in exchange for a proportion of South Africa's transit traffic through Mozambican harbours. This turned southern Mozambique into a labour reserve for South African mining capital.

In central Mozambique, especially Zambezia, plantation agriculture predominated, with the plantations largely controlled by foreign capital, and specialising in export crops like sugar, tea, sisal and copra. In the north the peasantry was subjected to forced cultivation, especially of cotton as Portugal's textile industry developed.

In the period between the Second World War and the 1970s, Portugal devised several ambitious settlement schemes, notably in the rice-growing Limpopo Valley where inducements were offered to small-scale immigrant farmers. But the drive to enlarge the settler population, which was in part a response to the growth of the liberation struggle, was in turn cut short by the advances of Frelimo, the Mozambican Liberation Front.

Frelimo was formed in 1962 as an amalgam of small exiled political groupings, radical intellectuals, and the beginnings of underground organisation inside the country. Two years after its inception, it launched its first military campaigns, and by early 1966 had driven the Portuguese army out of part of the two northern provinces of Cabo Delgado and Niassa. The movement's objective was broadly formulated as the elimination of colonialism, but in the course of administering its liberated base areas, the movement developed an internal conflict

SOCIAL AND ECONOMIC ISSUES

over two opposing political perspectives. The conflict led to the assassination in 1968 of Eduardo Mondlane, Frelimo's first president, and at the Second Congress of that year, to the ejection of a group within the leadership advocating a narrow nationalism. Frelimo's goals were then redefined to include both national independence and 'an end to exploitation of man by man': this was the first indication of Frelimo's long-term socialist commitment.

By the time that the Portuguese government was overthrown in 1974 by an army unable to win the colonial wars, Frelimo had a wealth of accumulated experience not only in protracted warfare, but also in mass-line politics, and in organising production and devising new participatory structures and institutions in its liberated regions. The logic of this experience in social reconstruction even in the midst of war dictated Frelimo's confidence that it would break out of the confines of false decolonisation (which merely Africanises existing structures and thus chokes off rather than releases forces for real development).

This is not to underestimate the magnitude of the task that Frelimo confronts, for it has committed itself not only to the dismantling of the colonial system but also of the capitalist order which that system installed. To this end Frelimo has transformed itself from a national liberation movement into a Marxist party with a programme for the building of Mozambican socialism, which attempts to theorise the kind of strategy necessary in the context of an underdeveloped society—though much in the orthodox socialist tradition would decry such an attempt. It certainly calls for the telescoping not only of long periods in history but also of several sets of exceedingly far-reaching social objectives. Thus Frelimo conceives of the period of 'people's democracy', when political and economic independence will be consolidated, as providing a natural continuum to the process of socialist reconstruction. The key is seen to lie in the consolidation of new social forces in power: not by the appropriation of the state machine by a series of mere nationalisations, for this can entrench a bureaucratic stratum in privilege, but by a shift in class relations produced by different forms of production organisation in which the actual producers will control the critical decision-making processes. This explains the heavy emphasis on the politics of mobilisation for new and different structures and forms of popular organisation.

The passage to a new social system is to be achieved against the background of two important constraints. The first is the fact of the uneven development of the Mozambican revolution itself, for by the time of independence in 1975 Frelimo's liberated areas were in the northern part of the country only, while the south had the benefit of the inspiration but not the organisation of Frelimo. The second constraint is Mozambique's inherited dependence on the South African economy, and her critical geographical position adjoining both South Africa and Rhodesia which exposes her to the powerful forces of counter-revolution in the sub-continent. So while the liberated areas produced the embryo of new structures for a new society, these have now to be adapted to the demands of a national economy, and one which still carries the distortions of the colonial period. □

Mozambique's economy is heavily reliant on agriculture and the greater part of the population lives off the rural sector:

	% of GNP	% of labour force
Agriculture	42	80
Industry	15	3
Services	43	17

Agriculture also accounts for about 80% of total export value. The service sector is disproportionately large from the transit traffic with Mozambique's neighbours, Zambia, Malawi, South Africa and, before the imposition of sanctions, Rhodesia.

Within agriculture there were three basic forms of production: white settler farming; plantations and estates; and African cash crops and subsistence farming. Though during the colonial period white farmers constituted less than one per cent of agricultural producers, they controlled 50% of the cultivated farm land, and monopolised the best irrigated land near the rivers. Settler farming received generous commercial credit from the state, and it was the modern agricultural sector, with some 4,500 farms, that produced the bulk of marketed agricultural production and the food supplies for the towns. These were the farms that were widely abandoned after the independence revolution. Company farms and large estates and plantations produced the principal export crops of sugar, sisal, coconuts, tea and cashew nuts. African agriculture, on the other hand, was both neglected and heavily exploited. African growers were subjected to forced cropping and had not only to grow specified export crops on their lands but also to sell them to companies at prices fixed lower than the world market prices. It was colonial cotton which made Portugal's textile industry competitive in the period between the two world wars. Under the pressures of enforced export cropping, African peasant food production declined.

By comparison with some African territories the growth of Mozambican industry appeared quite substantial—the value of industrial production in 1973 put the country among the eight most industrialised on the continent. But the industrial base was geared to the processing of export crops, like sugar and sisal, and to the production of luxury consumer goods for the white settler minority; it was an import-substitution industrialisation for white settler market demands, and thus without links with production in the rest of the economy. Towards the end of the colonial period foreign capital and Portuguese monopolies invested in a steel rolling mill, a fertiliser plant, chemicals, plastics and a petrol refinery, but they were piecemeal projects and there was not even a proper survey of natural resources. Mining was dominated by German, US, South African and Belgian capital. Up to independence the only mineral produced in any quantity was coal.

A gigantic hydro-electric project was under way at Cabo Bassa, financed largely by South African capital, as the scheme was intended to generate power for the internal use of that country. Indeed, without the South African market the scheme would have been redundant, so that with independence the commitment to sell electricity to South Africa was honoured, and Mozambique left the consortium to be managed mainly by Portuguese interests, without taking a controlling share.

An adverse balance of trade was 'normal' for Mozambique. Portugal was the principal buyer of Mozambican commodities at specially fixed low prices. Only after 1972 did the balance of payments look somewhat healthier and this was due to increased invisible earnings—transit traffic and the trade with South Africa in migrant labour, which offered Portugal, as South Africa's political ally in Africa, special advantages. Under this system a portion of the mine-workers' wages was retained pending the completion of the work contract and the accumulated sum was paid in gold, transferred to the Portuguese government at a fixed price. This meant that Portugal could sell the gold on the free market, pay the workers in local currency, and retain the speculative profit from the gold sales for government coffers.

In sum, the economy of colonial Mozambique was poverty-stricken and unbalanced. It subsidised not only metropolitan Portugal but also South Africa. A large part of its labour force was regularly exported to South Africa and Rhodesia; there was virtually no social investment in the peasantry; and a sprawling and proliferating service economy generated parasitic classes in the towns and a large bureaucracy which began, towards the end of the colonial period, to incorporate strata of an African petit-bourgeoisie.

AFTER INDEPENDENCE

The defeat of the colonial power, leading to independence in 1975, brought an immediate crisis in its wake. There was a flight of capital as small and medium owners left the country, together with a massive leak of managerial and technical resources. There was looting and random destruction in some areas, while machinery and heavy vehicles were slipped over the border and cattle were slaughtered or left behind. The result was a drastic fall in levels of production, the effects of which caused a serious food shortage in the towns, together with sharply reduced foreign exchange earnings from the transit trade, especially when Mozambique instituted sanctions against Rhodesia in 1976. The balance of payments crisis was further aggravated in April 1978 when South Africa suspended the special gold payments for Mozambican mine labour.

This, Frelimo charged with heavy irony, was Mozambique's 'crisis of capitalism'. The immediate target for independent Mozambique was to raise production levels to those of 1973/74, and to train Mozambican manpower for the existing capacity of industry and agriculture. At the same time the basis had to be laid for a nationally integrated economy of a new kind, directed to the needs of workers and peasants.

In the immediate aftermath of independence a number of measures were instituted to counteract the colonial legacy. Private property in land was abolished, creating conditions for the development of State farms and companies and for the formation of peasant co-operatives and collectives. Rented property was nationalised, ending the operations of landlords and rent speculators. This desegregated the colonial towns, opening the green and grassy suburbs to people of all classes. Schools were also nationalised, in a blow against both elitist privileged education, and the raising of the young in the values of a propertied individualist society. The abolition of private medicine enabled the country's few health workers to be deployed to benefit the poorest and least privileged; likewise private practice in law was ended. Banks and insurance companies were nationalised. However, the nationalisation programme has been modest until now, and takeovers of industry have been limited to enterprises abandoned by their former owners or badly managed. Private firms are encouraged to continue in production as long as this is in accord with overall production targets. There is likely, however, to be a steady decline of the private sector as it diminishes in importance beside the growing State and co-operative sectors.

No national economic plan is expected until 1980, but the economy is at present being directed according to the Economic and Social Directives adopted by the Third Frelimo Congress of 1977, which called for 'a generalised political and organisational offensive on the production front'.

Within the Frelimo perspective, planning and development are seen as politics, namely the involvement of workers and peasants not only in immediate decisions about production but in changed forms of production organisation. This has been spelled out in popular speeches made by President Samora Machel: 'We reject the stagnation of traditional society in which one produces only for subsistence, and we reject the alienation of capitalist production in which each person's task is limited to tightening the bolts or knowing how one machine works. The alternative is the conscious participation of the workers in the production plans for each factory; and the reorganisation of the daily life of the masses in which they assume the active role'.

CURRENT EVENTS

In the countryside three forms of production organisation are being initiated: State farms (which are generally takeovers of former colonial estates); co-operatives of agricultural producers which are at various stages of growth; and communal villages (*aldeias comunais*) where families retain standardised household plots but where work is to be organised on a collective basis. It was the September 1975 First National Agriculture Seminar which analysed the obstacles to the reorganisation of peasant life and to agricultural regeneration and which stressed the importance not only of more efficient production but of the need for collective organisation to transform all aspects of rural life. By mid-1978 it was estimated that there were 15,000 villages in different stages of communal development throughout the country which, calculating on an average of 2,000 residents per village, would mean a population of approximately three million in communal villages, though these are in very different stages of development. Overall the commitment is to institutional changes before or in conjunction with technical transformation, a policy which is consistent with the constraints on capital and the shortages of technical inputs, and the existence of an under- and unemployed peasantry.

In Frelimo's view the problems of development cannot be solved in the first instance merely by improved techniques like more tractors and fertilisers, but only by the mobilisation of producers. It was this conception which lay behind the composition of the National Planning Conference of March 1978 called to prepare for Mozambique's first national plan; the delegates comprised not only Government and Frelimo cadres but also representatives of factory workers and rural producers.

In the factories, production councils were an emergency response to the flight and sabotage of colonial management, but the council system was subsequently consolidated. The production councils have had varying success. In some sectors of industry

they have helped to raise productivity and have organised on-the-job training for workers. Overall their purpose is not just to boost production, but, in the words of a Minister of Labour, 'to organise the working class' and to 'establish new forms of social relations' within the factories in greater worker-control over production tasks. During 1979, emphasis was placed on the transformation of Frelimo from a front to a party and the factories were central to the drive to recruit party members and build party structures. This has meant that several bodies co-exist within the factories: dynamising groups, production councils, and party groups, with all three but especially the latter stressing the importance of building worker-organisation within the worker-peasant alliance. □

Apart from the organisation of peasants and workers at the point of production, there has been a proliferation of new political structures. An early improvisation, during the first year of independence, produced the 'dynamising groups' whose functions were to familiarise the population with Frelimo's line and style of work, to increase and report on production, to help inaugurate the campaigns for health and education, to fight bureaucracy and indiscipline, and to dismantle the colonial mentality. The dynamising groups were probably a temporary innovation, and may be replaced by other forms. For the time being they co-exist with a drive for recruitment of Frelimo party members, and also with a new system of popular assemblies.

During 1977 27,000 deputies were elected to a pyramid culminating in a National Assembly. Many of the elected delegates were workers and peasants, and women constituted 13 per cent of the successful candidates. According to their constitution, the assemblies are intended to end the separation of powers under which a civil service and judiciary operate independently of elected political bodies, though it is as yet unclear precisely how administrative and executive organs will be subordinated to political organs at local and national levels. Perhaps a precedent is visible in the experiment of People's Tribunals, which are intended to make possible lay participation in the administration of justice. Under this scheme a selected number of pilot tribunals are being established in the provinces. The first wave of Mozambican graduates from the university's law faculty has been allocated to these tribunals and, together with the provincial administration, these new judicial officers will handle an appeal system and advise on the development of a grass-root judicial apparatus which will operate simplified legal codes; the intention is that at the lower level local magistrates should be selected from the community.

Side by side with the new structures, the State apparatus and the working of the various branches of the public service have been publicly scrutinised. This is done at national seminars of different ministries, when professional and lower-level non-specialist staff discuss together ways of breaking education, health and other services from their colonial past.

Education is an important priority. At independence 90 per cent of the population was illiterate. The primary school enrolment has been almost doubled since then, and there have been crash teacher-training and refresher courses. The problem of trained manpower can be gauged from the fact that at the end of 1976 there were no more than 600 students in the last two years of the country's secondary schools. An emergency programme was devised for these 600 who were split into groups variously allocated to industry and agriculture, to teacher training and the army, as well as university faculties for specially concentrated courses. The national literacy campaign aims to teach 100,000 to read and write every year. In education the slogan is 'to produce is to learn', and the emphasis is on the breaking of barriers between manual and intellectual work, and on the importance of uniting education with production, and theory with practice. As an example, rural schools are expected to be self-reliant in food production. At the university there are virtually no fulltime students, for study is undertaken side by side with work; most of the students are school teachers or work in government ministries and departments.

For a month every year brigades of university students work in the countryside in an annual programme known as the July activities; this is to combat elitism, to allow students and teachers to experience the realities of the rural areas, and to link the university with the tasks of national reconstruction.

Health services in the colonial period were concentrated in the urban areas, and in the racially segregated hospitals first and second class nurses treated the white and African populations respectively. By June 1975, after the large-scale exodus of Portuguese specialists there were only 40 doctors left in the entire country; in Zambesi Province, with a population of 2.5 million, there were only 320 maternity beds. Independence health programmes have concentrated on mass inoculation campaigns against the most common diseases, especially for children, and on preventive public health drives in the countryside, particularly in the communal villages, where the aim is to teach the

population to achieve minimum levels of health, hygiene and sanitation. The Mozambican equivalent of 'bare-foot' doctors are chosen by their villages for six-month courses, and they then return to their home areas to practise basic medicine and to organise preventive health measures.

Though the new structures and styles of work are intended to activate the population as a whole, the guiding role has throughout been that of Frelimo, which, since the Third Congress, sees itself as a vanguard party. Its vanguard role is to forge an alliance of workers and peasants, with the working class as the 'leading force' of the revolution, and the peasantry as the 'principal force', and with other supporting sectors—white collar workers, intellectuals and State employees—as allies. In Frelimo's conception, classes become revolutionary through their experience of changed forms of political practice in production—hence the stress on organising rural communities for collective work and on workers' control in the factories. Given a small working class and a peasantry that has until now been unevenly and incompletely exposed to the revolutionary process, there is the danger of substitutionism: of Frelimo as the party acting for and on behalf of the masses, though this danger is explicitly recognised in the ideological material emanating from Frelimo which stresses the importance of close links between party and masses under the slogan 'learn from the masses in order to teach the masses'. The relationship between mass movements and Frelimo is clearly still to be more sharply clarified in practice; as is the character of State power, as changes are made not only in the character of the personnel manning the State machine, but in social relations in the society at large.

The planning perspective elaborated by Frelimo conceives of agriculture as the base of the economy and industry as the 'dynamising' factor; in other words, industrialisation is seen as essential for raising levels of agricultural production and integrating agriculture and industry in a single economy. For the time being development projects are limited to the more immediate requirements of the country, and their very realisation hangs on the exigencies of an economy under heavy strain. The present period—when the negative effects of the colonial economy have yet to be effaced, and the changed system of production is too new to have produced adequate results—is likely to be the most critical.

The financial crisis is summarised in the balance of payments deficit for 1978. Principal exports, almost all agricultural (cashew nuts, raw cotton, fish, tea, sugar and copra, cement) were estimated to bring in \$205 million; imports are likely to be three times as high, including not only oil and equipment, spare parts and industrial raw materials, but also food. Receipts from invisible trade and some grants and long-term loans met perhaps half the trade deficit, but overall there was a shortage of about \$225 million for the year, and there are no longer receipts from gold sales to help meet the deficit.

A heavy part of the economic burden being shouldered by Mozambique is a direct consequence of its part in the Zimbabwean struggle. After Mozambique imposed sanctions against Rhodesia in March 1976, regular United Nations reports have been assessing the economic cost to Mozambique. This covers the financial, economic and technical assistance urgently needed by Mozambique to overcome the losses from the transit trade and jobs for Mozambicans in Rhodesia, but also the widespread destruction wrought by Rhodesian invasions of Mozambican territory. Despite its economic crisis and its vulnerability to physical attack, Mozambique offered base and training facilities to Zimbabwean liberation movements. The reprisals of the Rhodesian regime have included attacks by Mirage jets and fragmentation bombs, the bombing of civil and military targets, repeated

incursions of airborne troops and indiscriminate attacks on refugee camps.

Since the replacement of Smith by Muzorewa as head of state in Rhodesia after the 'internal settlement' of March 1978, raids on Mozambique have, if anything, become more severe (despite the fact that Muzorewa had briefly withdrawn from the settlement negotiations with Smith in protest at a Rhodesian massacre of Zimbabweans in a camp in Mozambique). In September 1979, for example, Rhodesian ground and air forces struck deep into Mozambique in the Limpopo valley, in a raid of several days' duration. The objectives of the attack were economic targets—agricultural installations and communications systems, particularly roads and bridges. Many Mozambican civilians were killed, including 40 prisoners at Mabalane gaol, which was bombed. The Mozambican army was also directly engaged, and saboteurs set off bombs in Maputo. This attack was clearly designed to undermine the Mozambican economy and to demoralise its people, and it represents an escalation of the regional conflict.

There are at present about 120,000 refugees—over 50% of whom arrived in 1978/79. They have made it necessary for Mozambique to divert scarce resources, and to place her eastern regions bordering on Rhodesia on a virtual war footing. If anything, the incursions have strengthened the Frelimo conviction that Mozambique itself will not be secure until Zimbabwe is liberated.

It is this security danger to Mozambique that prompted severe legislation, passed by the Popular Assembly, empowering a military court to pronounce capital punishment on those found guilty of seditious acts. Shortly after this law was promulgated, a number of executions were carried out on persons, some of them non-Mozambicans (Rhodesians and one Portuguese included) who had been arrested before the passage of the act, and were thus dealt with retrospectively.

UN appeals to help Mozambique overcome the effects of sanctions against Rhodesia produced initial offers of aid from 33 countries to the total of \$102 million in special assistance, but since the initial appeal only eleven additional offers of international assistance have been forthcoming, and because the aid sums have been considerably below requirements, urgent development projects have had to be delayed to rebuild destroyed towns and infrastructure, and to resettle displaced populations.

Further heavy losses were caused by two disastrous floods, in the Limpopo valley during 1977 and in the Zambezi valley in 1978, when heavy rains caused the discharge of waters from the Kariba dams in Zambia and Cabo Bassa in Mozambique and displaced a quarter of a million people in the provinces of Zambesia, Tete, Manica and Sofala.

In the recent period while international aid for the special assistance to offset losses from sanctions has been derisory, Mozambique has signed agreements for regular aid with a score of different countries, though even here the overall sum remains relatively small. The largest donors are the Scandinavian countries, especially Sweden, and there is a large FAO/Nordic agricultural scheme. Britain is the second-largest European donor. Most aid is solicited for larger-scale agricultural development, for transport and other infrastructural support, and for the local employment of staffs recruited from abroad on temporary contracts. Aid from socialist countries appears to include military assistance (the Soviet Union) and soft cash loans (China). Foreign repayment obligations totalled \$110.5 million by January 1978, but the greater part of the loans do not have to be met until 1981 or later.

In the interim period, the economy straddles an urban sector and services infrastructure which drain resources, without yet reaching the levels of domestic-oriented production to be able to renew them, and a countryside that until three years ago had no perspective or means of change. Though its presence is still thin on the ground in many areas, and a shortage of trained personnel sets limits on immediate effectiveness, Frelimo has forged an experience, and out of this, a conception of development, new not only to Mozambique but to Africa as a whole. The speed of its success hangs in part on the speed of the liberation process in the rest of the southern sub-continent, and for the rest on Frelimo's capacity to solve development problems by consolidating a genuine mass social base. □

STATISTICS

Gross National Product (1977): \$1,470 million (World Bank)
GNP per capita (1977): \$150 (World Bank)

TRADE BALANCE (million Mozambique escudos)

	1974	1975	1976	1977
Exports	7,559	5,050	4,524	4,909
Imports	11,741	10,472	9,058	10,568
Balance	-4,182	-5,422	-4,534	-5,659

(Statistical Directorate, Maputo)

MAIN TRADING PARTNERS (million Mozambique escudos)

	1975	1976	1977
Imports			
Germany, Fed. Rep.	1,116	1,152	1,575
Iraq	103	534	961
Portugal	1,612	853	1,011
South Africa	1,833	1,382	2,062
UK	805	553	758
Exports			
Portugal	1,201	1,131	792
South Africa	410	350	304
UK	207	234	339
USA	695	1,074	1,322

(Statistical Directorate, Maputo)

BUDGET 1978

(million Mozambique escudos)

		1976	1977
Expenditure			
State security/defence	3,650	Budget deficit	25,000
Capital investment	2,577	Railways and harbours	39,720
Education and Health	3,320	Telecommunications	4,500
Cabinet office expenses	742	Total deficit	69,220
Consumer goods subsidies	750		
Social care and other	1,560		
Revenue			
Direct taxes	3,400		
Indirect taxes	5,500		
Other taxes	900		

(Standard Chartered Review)

PUBLIC SECTOR DEFICIT

(thousand US dollars)

	1976	1977
Budget deficit	25,000	63,000
Railways and harbours	39,720	35,760
Telecommunications	4,500	2,850
Total deficit	69,220	101,610

BALANCE OF PAYMENTS (1977) (estimates, thousand US dollars)

RECEIPTS

Exports

Sugar	18,000
Cotton	10,000
Cashew nuts	33,000
Shrimps	16,000
Tea	13,000
Coal	9,000

Total exports (incl. others)

154,000

Invisibles

Railways and ports	93,000
Workers' remittances	60,000

Total invisibles (incl. others)

193,000

Capital

5,000

Total receipts

352,000

PAYMENTS

Imports

Food	74,000
Imports for commercial enterprises	79,000
Raw materials (including oil)	223,000
Other (fertilisers, tires etc.)	6,000

Total imports

489,000

Invisibles

87,000

Capital

55,000

Total payments

631,000

Projected deficit

-288,000

(UNDP)