

MOZAMBIQUE News reports & clippings

336 21 August 2016 Editor: Joseph Hanlon (j.hanlon@open.ac.uk)

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Comment: something will turn up: <http://bit.ly/28SN7QP>

Oxfam blog: Bill Gates & chickens:

<http://oxfamblogs.org/fp2p/will-bill-gates-chickens-end-african-poverty/>

Chickens and beer: A recipe for agricultural growth in Mozambique

by Teresa Smart and Joseph Hanlon is on <http://bit.ly/chickens-beer>

Gas for development or just for money? is on <http://bit.ly/MozGasEn>

Also in this issue:

Are 'liberators' suppressing dissent?

Land occupation in Maputo

8% and 16% devaluation in 1 month

Mediators cause confusion as war escalates

Attempts by mediators to push the talks forward created confusion and discord and seem to have left government and Renamo more entrenched in their positions. Meanwhile the war escalated, with Renamo attacks on towns and visits by President Nyusi to war affected areas.

Government denies agreed statement promises Renamo governors soon

"With respect to [the first point on the agenda], "Governance of Renamo in the six provinces," legal mechanisms must be found for interim appointments of provincial governors coming from the Renamo Party as soon as possible," states a paragraph in a one page statement drafted by the mediators and signed Wednesday 17 August by negotiators on both sides. (In Portuguese: "Sobre o 'Governação da Renamo nas seis Províncias', devem ser encontrados mecanismos legais para nomeação provisória dos governadores provinciais oriundos do Partido Renamo o mais cedo possível.")

This was immediately reported in the electronic media as a concession by government that some Renamo governors would be named, and that it would happen soon. Jacinto Veloso, head of the government negotiating team, rushed out a statement that afternoon denying that interpretation, and saying it must be seen in the context of the whole joint statement. (*O Pais* 18 Aug has both statements; the joint statement is also on

<http://macua.blogs.com/a/6a00d83451e35069e201b7c8881fc5970b-pi>)

Veloso argues that the phrase “as soon as possible” was “perhaps an error” because it must take into account that legislation must be approved by parliament, and that nothing is agreed until the whole package is agreed by President Filipe Nyusi and Renamo head Afonso Dhlakama when they meet sometime in the future. And there is nothing to say that Renamo governors have been agreed: “It could be zero provinces, it could be two, it could be five, or even more” - this has to be negotiated in the national interest. In a press conference Veloso added that there was no chance that Renamo governors could be named before 2019 election - it would be “unacceptable to the government and out of the question.”

He also argued that this paragraph, the penultimate in the statement, must be seen in the context of the main agreement, which was simply to pass the issue of Renamo’s demand for six governors to a subcommittee of the negotiators which, with the presence of mediators, would draft legislation to be presented to parliament. Thus the issues is moved forward without so far resolving any of the substantive issues, such as how governors are to be selected or elected.

The statement says “the matter should be discussed in the framework of national unity and the administrative decentralization process, giving greater decision-making powers to local state organs, including financial resources and decentralized election/appointment of Provincial Governors.” The statement says that the subcommittee will prepare a legislative packet consisting of constitutional amendments and changes to six laws on provincial administration and finance, and take a new look at a 1994 law on elected district councils which was passed by parliament but then decided to be unconstitutional and never revised or resubmitted.

Finally the statement says that the package must be ready to go to parliament by the end of November. Veloso said he said in the negotiating session that this was “unrealistic”, but Renamo and the mediators wanted it left it.

The subcommittee met for six hours on Thursday (18 Aug) and the entire joint commission met for four hours in the late afternoon discussing a truce or ceasefire, and a way for the mediators to meet Dhlakama. Mediators on Friday (19 Aug) met separately with the two sides. The next meeting is Monday 22 August.

Comment: The Wednesday statement is confusing, but does involve small concessions on both sides. Government does appear to have accepted faster decentralization and at least some Renamo governors, while Renamo has accepted the phrase “national unity”, which will be interpreted as a unitary, centralised state and not federalism.

Veloso’s reply is much longer than the original statement and points to the sharp divisions within Frelimo. In retrospect, an unusual statement made by President Nyusi now looks aimed at the Frelimo hardline; speaking in Inhassoro, Inhambane on 11 August, he said that the people in the negotiating team “are serious, competent, experience and adults. They cannot be treated as errand boys [*meninos de recados*].” (*O Pais* 12 Aug) Did Veloso come under pressure from Frelimo hardliners who see him simply as an errand boy and feel he made more concessions than he was permitted, as suggested by *Savana* (19 Aug), or did he feel the need to argue that the paper represented no concessions? *jh*

Dhlakama says no to power sharing

Renamo leader Afonso Dhlakama rejects anything that suggests power sharing in an interview given 16 August to *Savana* (19 Aug). He rejects any suggestion of a post such as vice president because “it is impossible to work with the party Frelimo.” Frelimo “is still Marxist.” He said that he was in Frelimo when he was young, and that “to be vice president signifies being Frelimo again.” Also he doesn’t want to happen to him “what happened to my friend Tsvangirai, who eventually disappeared.” Morgan Tsvangirai was Prime Minister of Zimbabwe in a power sharing government

from 2009 to 2013.

On governing the six provinces, he says he will not accept a solution under which the President appoints people named by Dhlakama or in which Nyusi and Dhlakama jointly discuss the governors. "If I give a list to Nyusi, it seems that I am offering Renamo officials to work with Frelimo policies. We won't go there." Instead, "there must be a constitutional amendment that says that the provinces are now governed by the winning party," and a law to give the provinces financial autonomy. Provincial government "must be on the basis of Renamo policies."

The government says it accepts more decentralisation before the 2019 election, and there is also a discussion of allowing the elected provincial assemblies to nominate governors. But the core question is: How much power and revenue will be decentralised to the provinces? In his press conference Wednesday, Veloso said "Renamo says it will govern with its programme, but this is not possible because that would be creating a state inside another."

Dhlakama added: "The whole world knows that Nyusi did not win the elections, yet he governs. ... If he governs without winning, why not close our eyes and accept that the party that won governs in those provinces?"

Finally, Dhlakama demands that since the mediators have met with Nyusi, they must also come to his base in Satunjira, Gorongosa, and meet with him. "We have talked on the telephone but that is not enough." He has proposed a demilitarised corridor, monitored by three Renamo commanders, three government commanders, and an independent person. Alternatively, he would like to declare a truce to allow a meeting, but only if the government withdraws its troops from around the Gorongosa mountain.

Post-war "reconciliation failed, because we lost the spirit of tolerance and co-existence with our differences." This had been necessary to reach the peace accord, but was lost afterwards, commented Teodato Hinguana, in a speech on 10 August. As a result, "We are again in a war situation that has the risk of becoming widespread." (*Savana* 12 August)

Renamo stepping up attacks

The Defence Ministry says there were 17 Renamo attacks in five provinces between 8 July and 18 August. There were 4 attacks in Sofala, 3 each in Niassa, Zambézia and Tete and 2 in Manica, as well as isolated killings in Inhambane. (AIM En 19 Aug) There were three more attacks Saturday. In his interview in *Savana* (19 Aug), Afonso Dhlakama said that the increase in attacks spread across the country was to force the government to spread out its troops and reduce their concentration near his Gorongosa base. "This is a military strategy," he said. "It's in the books."

Meanwhile Filipe Nyusi travelled to Mancica as part of a new policy of holding rallies in war affected areas. He arrived by helicopter, but journalists and others travelled by road. Cars carrying journalists to a Nyusi rally in Macossa, Manica, were shot at on 12 August on the N7 in Chiuála, Barué, Manica. This is a zone of frequent attacks and is on the part of the N7 between Vanduzi, Manica, and Changara, Tete, with military convoys. (Lusa 12 Aug). *Savana* (19 Aug) reported that in the convoy there were also cars from the state electricity company EDM carrying soldiers. And in his *Savana* (19 Aug) interview, Dhlakama claimed that four members of the riot police (FIR, Força de Intervenção Rápida, also known as Unidade de Intervenção Rápida) were killed in that attack. He added that anyone who goes on a convoy knows they are "entering a zone of 100% risk" because this is a war zone, thus it is their own fault if they are shot.

The various press reports also make clear that on the government side the war is being fought by the riot police, which is seen as a trained and loyal paramilitary force, and not by the army, which is not trusted and seems limited to shelling Gorongosa. For example *Diário da Zambézia* and *Zitamar* (15 Aug) report that after an attack on Morrumbala town, Zambézia, on 12 August in which the police station was occupied and 23 prisoners freed, the district office attacked, and medicines

taken from the local hospital, that two FIR brigades were moved from Sabe and Nicoadala to Morrumbala.

Other recent attacks:

Muaquia, Majune, Niassa - 20 August - attack by group of 13; one raider shot and captured.

Trinta, Localidade Zero, Morrumbala, Zambézia - 20 August - two attacks, houses burned.
Mepinha, Morrumbala, Zambézia - 18 August - public buildings attacked, no details. (AIM En 19 Aug)

Barué, Manica - 13 or 14 August - N7 convoy attacked, 1 dead. Reported that attacks are frequent.

Nhamatanda, Sofala - 11 August - police repel an attack and detain one person.

Mboza, Moatize, Tete - 1 August - police station attacked and car burned

88 companies closed in Zambézia due to the war and economic crisis, putting 319 people out of work. Beira port has suffered a sharp reduction in traffic due to attacks on the railway and roads. (Noticias 17, 19 Aug) Prakash Prehlad, head of the Beira commercial association, said when you walk down the street it is obvious that businesses have closed because of the war. (O Pais 18 Aug)

Portucel wrote off €14.5 mn from the value of its timber plantations in Mozambique, because "the political and economic situation in the country is unstable, which presents additional challenges, in terms of the safety of everyone involved and also the security of supplies of products, materials and services needed for the project. Pressure on the Metical has resulted in inflation, a problem which became serious in 2015 and continues to increase." A major Portucel plantation is being developed in Barué, Manica, where there have been repeated attacks.

http://en.thenavigatorcompany.com/var/ezdemo_site/storage/original/application/e4de0514239abd549d8549a5bfd2367c.pdf

Refugees: There are still 4,400 refugees from Tete and Zambézia living in two camps in Malawi, down from a peak of 11,500, according to a report from the Mozambican Human Rights League (LDH). Most refugees interviewed by LDH said they were fleeing the war, and most of those blamed government forces. LDH says there were reports of 13 people (eight in Tete and five in Zambézia) who were summarily executed by the government forces, because they were believed to be members or supporters of Renamo. Many of the interviewees accused the defence forces of burning and vandalizing houses and barns. LDH also identified three people murdered by Renamo. The report was released on 18 August.

Who killed 6 in Cheringoma?

Six people were killed when their car was stopped at Nangué, Cheringoma, Sofala on 12 August. There were eight people in the car, six Mozambicans and two Bangladeshi traders. One Mozambican and one Bangladeshi escaped and told their story to STV. Their car was stopped by people in police uniforms. They were told to get out of the car and line up, and the "police" started to shoot them; two people escaped, the six bodies were put in the car which was set on fire. Some media (STV, @Verdade) has accepted the witness statements at face value, that the executions were done by the police. But the police claim it was Renamo guerrillas in police uniforms.

Attack map

The map on the next page pdf shows with stars ★ areas where there have been attacks reported

Hunguana warns of 'liberators' suppressing dissent

Some of those who call themselves "comrade liberators" are viscerally anti-democratic and hostile to different types of thinking typical of democratic systems, warned Teodato Hunguana. His outspoken comments carry weight because of his standing in Mozambique, and they underline the deepening divisions within Frelimo. A lawyer, Hunguana was a Minister of Information in the one-party state era, a Frelimo member of parliament, and finally a member the Constitutional Council. He was speaking on 10 August at a conference to mark the 25th anniversary of Mozambique's press law. (*Savana* 12 August)

"I have no doubt that outrages and assaults are perpetrated by organized groups for the purpose of restricting freedom of expression, and imposing a regime of fear, silence and intolerance" with the ultimate aim of "restricting and curtailing our very citizenship", he said. These "organised groups" are using all means ranging from social media to the "law of the bullet" to intimidate critics. He continued: "people have fallen, have been shot, because they think, because they have the freedom to think and express what they think. This is serious."

The removal of a memorial to Gilies Cistac underlines both the sense of intimidation and the deep splits in Frelimo. A highly respected expert on constitutional and administrative law, but also sometimes a thorn in the side of government, he was gunned down in 2015. In March the Universidade Eduardo Mondlane (UEM) Law Faculty, where he had taught, erected a memorial stone and named the library after Cistac. This was seen by some inside the party as an implicit criticism of Frelimo. Early this month UEM removed the stone and unnamed the library, saying only that the proper procedures had not been followed. (*Savana* 12 August)

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Zimbabwe style land occupation in Maputo

An abandoned eucalyptus plantation 30 km from the centre of Maputo has been occupied in an organised way by people who are quickly building houses, in a form similar to the organised land occupations in Zimbabwe and Brazil. (*O Pais* 11, 17 Aug)

The 1230 hectare (ha) plantation 30 km from of the centre of Maputo is on the N1 just before Marracuene and was FAO project FO-2 in the 1980s to grow woodfuel for Maputo; it was abandoned with other FAO projects during the war. In 1998 there was a public tender and the land was given to a company called Milhulamente; although land cannot be sold, company spokesman Isidro Macaringue said Milhulamente paid \$64,169 for the land. Finally in 2009 it obtained a DUAT (land use title) which allowed 767 ha to be divided into housing plots. After that, nothing happened. But by now the rapidly growing city of Maputo has expanded past the plantation, and this is a valuable urban area.

Finally in July are group of self-described "natives" of Marracuene occupied 200 ha, used machinery to clear the land, quickly divided it into 40 metre x 20 metre plots, and began building both permanent and temporary houses. There are new roads with cars; even the police now patrol the new neighbourhood; small temporary shops have opened.

On 15 August the local Marracuene court ruled the occupation illegal, and "construction embargoed" has been painted on the sides of some houses.

The land is now highly valuable - to whomever wins the right to occupy it, Milhulamente or the "natives". Macaringue says that plots are already being sold for 70,000 Meticaís (\$1000). And O

Pais says the presence of expensive cars "suggests that the 'natives' are not just dividing up the land, but also selling it."

Comment: There is a myth, propagated in part by Zimbabwe President Robert Mugabe himself, that Mugabe organised the Zimbabwe land occupation. In fact it was organised by the war veterans as a protest against Mugabe and a ZANU-PF elite because of their refusal to do land reform. In a highly organised fashion the war veterans took over 1000 white farms during the Easter weekend of 2000 and settled unemployed from the townships and landless from the communal areas. Initially Mugabe and the government opposed the occupation. But Mugabe is a skilled politician and later in the year when he saw the success of the occupation, he legalised it and took the credit. And the media and opposition was happy to help him create the myth that he did it. (see *Zimbabwe Takes Back its Land* by Joseph Hanlon, Jeanette Manjengwa and Teresa Smart).

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Debt and economy

Will capital gains tax plug the hole?

Government is hoping that the sale of part of the Cabo Delgado gas fields will be concluded soon and generate more than \$1 bn in capital gains taxes, to plug the budget hole caused by cuts in aid and repayments on the secret debt. It has been widely reported that ENI is selling part of its gas fields to ExxonMobil, the largest publicly traded international oil and gas company; Anadarko also wants to sell part of its field and is talking to ExxonMobil. Zitamar (16 Aug) reports that when ExxonMobil CEO Rex Tillerson met President Filipe Nyusi last month, Tillerson assured the President that capital gains tax would be paid. Last week it was announced that Nyusi will visit the United States, going to Washington 15 September, Houston 16-17, and then New York for the UN general assembly opening. In Houston he will see Anadarko CEO Al Walker; ExxonMobil is also based in Houston.

The key question is if Mozambique can get enough money soon enough to fend off IMF and donor pressure and continue to protect former President Armando Guebuza. Pressure is also coming from the Japanese, a major donor which is normally quiet on these issues. Ambassador Akira Mizutani told *Savana* (12 August) that "Japan is concerned by these debts which were not disclosed. We hope that Mozambique shows its sincerity in trying to regain credibility with international partners, for example by an international and independent forensic audit." The IMF, UK High Commissioner to Mozambique Joanna Kuenssberg and US Ambassador Dean Pittman have all called for an independent forensic audit. "We need to have clarity on how the loans were made, what the money was used for and if there's a possibility to recuperate those funds," said Pittman. "These were bad decisions, they were made in secret and they will have consequences."

Meanwhile, the *Wall Street Journal* (11 Aug) said that Credit Suisse, which made substantial profits on the secret loans, is now getting worried and the loans "have become an albatross for the bank. The transactions also cast a rare spotlight on the ties between banks, defense contractors and the countries they supply. ... Privately, Credit Suisse's top executives have recently expressed concerns about the deals, calling them the wrong type of business for the bank." The newspaper quotes Anne Frühauf, head of southern Africa research at political risk consultant Teneo Intelligence, saying "You're talking about a country with extreme health and poverty needs. ... If there had been a proper prioritization of public-investment needs, neither of these projects would have seen the light of day." <http://www.wsj.com/articles/behind-credit-suisse-soured-mozambique-deals-1467214300>

8% and 16% devaluations in 1 month

The Metical fell 8% against the US dollar and 16% against the South Africa Rand in the past month. US\$ devaluation is 62% since mid-January; there are now 72.2 Meticaais to the US \$. This is important because most debt is denominated in dollars. But the South African Rand is more important in Maputo because much food and many consumer goods are imported from South Africa. There are now 5.4 Meticaais to the Rand, compared to 4.67 just a month ago and 2.68 in mid-January.

	Meticais per unit, mid rate - 2016 Bank of Mozambique				% devaluation at 21 Aug	
	15-Jan	08-Jul	22-Ju	21-Aug	from 15 Jan	from 22 July
SA Rand	2.68	4.23	4.67	5.4	101%	16%
US \$	44.62	64.32	66.6	72.21	62%	8%

Economy stagnates, says INE

There is a "stagnation of economic activity" in the second quarter compared to the first quarter, according to the National Statistics Institute (Instituto Nacional de Estatística, INE). The Mozambican economy grew by only 3.7% year-on-year in the second quarter of 2016 - the lowest growth rate in recent years. Economic instability exacerbated the fall in the turnover of Mozambican companies in the first half of the year, according to data from the INE. A fall in demand and rising production costs were the main cause. (*O Pais* 16 Aug, *O Pais Económico* 19 Aug)

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"Mozambique News Reports & Clippings, number XXX", DATE, bit.ly/mozamb, accessed XXX.

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Election study collaboration: We have detailed election data from 1999 through 2014 and are inviting scholars to use this data collaboratively. <http://bit.ly/MozElecData>

Chickens and beer: A recipe for agricultural growth in Mozambique

by Teresa Smart and Joseph Hanlon

E-book for Kindle and iPad, for \$9.32 from US Amazon -

<http://www.amazon.com/dp/B00NRZXXKE> - £5.14 from UK Amazon.

In pdf format, 6 Mb file, free on <http://bit.ly/chickens-beer>

Galinhas e cerveja: uma receita para o crescimento

by Teresa Smart & Joseph Hanlon. Copies are in Maputo bookshops or from

KAPICUA, Rua Fernão Veloso 12, Maputo; Tel.: +258 21 413 201 or +258 21 415 451

Telm.: +258 823 219 950 E-mail: kapicuir@tdm.co.mz / kapicuacom@tdm.co.mz

Outside Mozambique, we have a few copies we can send from London.

Please email j.hanlon@open.ac.uk.

Zimbabwe takes back its land

by Joseph Hanlon, Jeanette Manjengwa & Teresa Smart is now available from the publishers

https://www.rienner.com/title/Zimbabwe_Takes_Back_Its_Land also as an e-book and

<http://www.jacana.co.za/book-categories/current-affairs-a-history/zimbabwe-takes-back-it-s-land-detail>

Do bicycles equal development in Mozambique?

by Joseph Hanlon & Teresa Smart

is now available in **paperback**, for £17.99 (+ p&p)

from the publisher <http://www.boydellandbrewer.com/store/viewItem.asp?idProduct=13503>

Just Give Money to the Poor:

The Development Revolution from the Global South

by Joseph Hanlon, Armando Barrientos, and David Hulme

Most of this book can now be **read on the web**

tinyurl.com/justgivemoney

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NOTE OF EXPLANATION:

One mailing list is used to distribute two publications, both edited by Joseph Hanlon. This is my own sporadic "News reports & clippings", which is entirely my own responsibility. This list is also used to distribute the *Mozambique Political Process Bulletin*, published by CIP and AWEPA, but those organisations are not linked to "News reports & clippings"

Joseph Hanlon

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Mozambique media websites, Portuguese:

Noticias: www.jornalnoticias.co.mz

O Pais: www.opais.co.mz

@Verdade: <http://www.verdade.co.mz>

Diario de Moçambique (Beira): <http://www.diariodemocambique.co.mz>

Carlos Serra Diario de um sociologo: <http://oficinasociologia.blogspot.com>

Mozambique media websites, English:

Club of Mozambique: <http://clubofmozambique.com/>

Rhula weekly newsletter: <http://www.rhula.net/news-announcements.html>

Zitamar: <http://zitamar.com/>

Macauhub English: <http://www.macauhub.com.mo/en/>

AIM Reports: www.poptel.org.uk/mozambique-news

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