

MOZAMBIQUE News reports & clippings

338 5 September 2016

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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>

Debt & Development book chapter is on <http://bit.ly/Debt-Dev>

Also in this issue:

Renamo escalates low cost but high profile attacks

IMF man heads central bank,

but Nyusi warns him to

resist foreign pressure

After nearly 30 years at the IMF and 39 years outside the country, Rogério Zandamela has returned to Mozambique to head Banco de Moçambique (BdM). His surprise appointment was only announced on Wednesday 31 August and he was sworn in on Thursday. His main task will be to reach agreement with the IMF on how to deal with the \$2.2 billion in secret debt, but he also faces rising inflation and rapid devaluation. After the swearing in, Zandamela said "we must restore trust in the Mozambican economy" and warned that there are "enormous sacrifices" ahead.

Born in Inhambane, Zandamela attended secondary school in the colonial era at Liceu António Enes (now Escola Francisco Manyanga in Maputo) and in 1975 began to study economics at Universidade de Lourenço Marques (now Universidade Eduardo Mondlane) with a group of students that included the current Prime Minister Carlos Agostinho do Rosário. But with the help of the Catholic Church, he soon went to Italy to study, then on to France and finally the US where he gained a PhD at Johns Hopkins University. He started at the IMF in 1988. But he has retained contacts. Zandamela was keynote speaker at the June 2014 BdM annual seminar, where he spoke on monetary policy. And he told journalists Thursday he has always retained his Mozambican nationality and never took another one. (*Savana, O Pais Económico* 2 Sep)

He replaces Ernesto Gove who served two five-year terms and leaves tarnished, first by his claims to not have known about the secret debt, which if true means he was asleep at the wheel, and second by the exorbitant and grandiose new \$300 mn BdM headquarters in Maputo now nearing completion.

Previous governors have been Gove (2006-2016), Adriano Maleiane (1992-2006 and now Minister of Economy and Finance), Eneas Comiche (1986-1991), Prakash Ratilal (1981-1986), Sérgio Vieira (1978-1981) and Alberto Cassimo (1975-1978).

Comment

What deal with the IMF?

Donors stopped budget support and the IMF cut off its loan when the \$2.2 bn in secret debt was revealed earlier this year. Budget support donors have left it for the IMF to negotiate a new agreement, so that deal will be at the top of Zandamela's list - and his appointment itself is probably the first step in that negotiation.

Donors and the IMF have been calling for an international and independent forensic audit, which would identify over-pricing and commissions, and would be expected to point fingers at those who benefitted in the Armando Guebuza government. Government has resisted. When President Filipe Nyusi swore in Zandamela Thursday, he said pointedly: "do not be surprised nor alarmed by what may be pressure from outside. Mozambique is your land and it is for her that you should make your best efforts." (Lusa 1 Sep) That seems a warning not to accept a forensic audit. Is that possible? The IMF has been taking a hard line, and departing IMF representative Alex Segura continued to demand a forensic audit. (*Savana* 2 Sep) The new resident representative is Brazilian Ari Aisen, who has been a senior economist at the IMF in Washington.

But with two hard liners, Segura and the head of the Africa department, both leaving, there will be an entirely new negotiating team - with IMF people on both sides of the table. And Nyusi will try to calm the troubled waters when he meets IMF head Christine Lagarde in Washington in two weeks. The next IMF mission arrives in Maputo in three weeks.

A probable deal would be to give the IMF everything it wants on the fiscal side in exchange for no forensic audit. That would probably involve taking all the debt onto the state budget. In a recent blog, Lagarde called for more structural reform and a renewed commitment to free trade. For Mozambique, the first would mean further privatizations and government austerity, including restrictions on government wages (which has been a continued IMF demand), while the second would prevent any attempt to protect Mozambican producers from foreign competition. But Lagarde again repeated something that has become a hallmark of her role in the IMF, which is the need to reverse increasing inequality. Segura unsuccessfully pushed this issue in Mozambique, and warned in January that "high levels of inequality hamper government policies to reduce poverty [and] can lead to political instability". (*Mozambique News reports & clippings* 308) Will the new IMF team also push for reduced inequality? *jh*

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Renamo escalates low cost but high profile attacks

Renamo has moved to a strategy of low cost but high profile actions intended to frighten people and show it can attack at will. Four Renamo gunmen seized the head of the Tica, Nhamtanda, Sofala administrative post, Abilio Jorge, while he was addressing a meeting in Nhampoca locality. Also taken was a local *regulo* (chief), Joaquim Chinagara. Their bodies were found on 2 September. (AIM En 3 Sep, based on Radio Moçambique)

In the first attack in some time in Nampula province, in Nihessiue, Murrupula district, a group of 10 men, only two of whom were armed, attacked on 27 August. "They sang happily and said they were Renamo", said one witness. They told people to flee their houses and run into the bush. A witness said they did not want to kill anyone, and just wanted to ransack. As in other attacks, patients were chased from the hospital and raiders stole mosquito nets, sheets and scissors; official buildings were vandalised and the raiders set fire to the Frelimo office and the police station. The raiders attacked the home of the head of the administrative post, the senior government official in Nihessiue, and pointedly stole food and chickens from the house. (*O Pais* 29 Aug)

Comment: There seems little interest in high risk confrontations with government forces. Instead Renamo is using small, low risk attacks to meet three goals:
+ First, it wants to show that Renamo can move at will.
+ Second, that the government cannot defend the population, and cannot even defend its own officials. This is underlined by targeted assassinations of officials and community leaders allied to the government.
+ Third, Renamo appears to be adopting a tactic of the 1982-92 war. Better health care has been an important government gain, and a Renamo goal in the war to make people afraid to use government health facilities. So ransacking health posts may also be a return to this strategy. *jh*

Elsewhere in the war

Other recent attacks which have been reported:

Djoconhiwa, Mossurize, Manica: Renamo attacked the village Monday 29 August, burned down three houses, placed barricades on the road, and stole livestock from local farmers. Police later recovered 25 cattle and 30 goats. (AIM En 30 Aug)

Manica: A driver of a mapping team of the National Statistics Institute was killed in a Renamo attack. No further details given. (*Noticias* 3 Sep)

97 schools have been closed by Renamo activities according to Education Minister Jorge Ferrão, and 36,000 students countrywide have been prevented from attending classes. Of those schools, 26 are in Manica. (AIM Eng 30 Aug; *Rhula* 26 Aug-2 Sep)

Niassa: In the past two months, three of the 16 districts in Niassa Province have been subjected to Renamo attacks. The attacks occurred in the villages of Muapula and Maiaca in Maúa; Nacumua in Metarica; and, most recently, Muaquia in Majune. (*Rhula* citing *Folha de Maputo*)

There were four attacks in the week 22-28 August, according to the police - one each in Niassa, Nampula, Manica and Sofala. (Lusa 31 Aug)

Renamo MP Ivone Soares denies that attacks on hospitals and health posts were by Renamo. She was responding to a Human Rights Watch Report. (Deutsche Welle 25 Aug)
<http://clubofmozambique.com/news/renamo-denies-responsibility-attacks-hospitals-zambezia-deutsche-welle/>

Sussendenga: Police discovered an arms cache, including heavy weapons, in an old Renamo base called Mucuti Um in the Chimanimani mountains. (*O Pais* 2 Sep, Lusa 1 Sep)

Attack maps

The updated map on the next page shows with stars ★ areas where there have been attacks reported since June. The three routes with armed convoys are shown with red lines

Rhula have produced a more detailed map, which needs to be enlarged to be read. I have posted it on <http://bit.ly/2czGuKA>
Their weekly newsletter is posted on <http://www.rhula.net/news-announcements.html>

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Other news

Because of the El-Nino drought in the south of Mozambique, 1.5 million people face food insecurity between now and the next harvest early next year, according to the Emergency Operations Centre (CENOE) of the National Disaster Management Institute (INGC). (AIM En 3 Sep) The lack of rainfall also means reservoirs are low, which means there will be water restrictions in Maputo and Matola. (*Noticias* 2 Sep) But at their regular meeting in Harare, SADC meteorologists said the drought is over and **forecast good rains for the October-March season**. Northern Mozambique, which largely escaped the drought, may have below normal rainfall. (Zitamar 31 Aug)

A district court backed occupiers near Marracuene and lifted an embargo on house construction. The people had occupied an abandoned eucalyptus plantation on the edge of Maputo in July. (*O Pais* 29 Aug; *Mozambique News Reports and Clippings* 336, 21 Aug.)

Three T-27 Tucan airplanes promised by Brazil to the Mozambican air force were cancelled Friday 2 September by the new presidente of Brasil, Michel Temer. (AIM Pt 2 Sep)

Exxon Mobil still wants Mozambique's gas, but is likely to slow down production. It predicts oversupply of liquefied natural gas (LNG) and low prices for the next five years or more, but higher prices in 10 to 15 years. LNG prices now are one-third of what they were in the period 2011-2014. (FurtherAfrica 3 Sep) But South Africa's energy shortage and low gas prices are making the gas pipeline to South Africa look more attractive. The 2,600km pipe is being promoted by a consortium of South Africa's SacOil, the Mozambique state oil company Empresa Nacional de Hidrocarbonetos (ENH), Profin Consulting (linked to Alberto Chipande) and the China Petroleum Pipeline Bureau

Permission to mine a sacred mountain is being asked by Kenmare. After 10 years of mining, the Irish company based in the tax haven of Mauritius, just off the Mozambique coast, says it has rarely made a profit and rarely paid any taxes. The company mines heavy titanium sands on the coast of Nampula; the titanium is largely used for white paint. The initial reserve will soon be exhausted so wants to destroy Mount Filipe, which has been used by local people for religious ceremonies for longer than anyone can remember. (@Verdade 31 Aug)

11.5% of adults 15-49 years old are infected by HIV/AIDS; Gaza is the worst province with 25.1% infected. Mozambique has the 8th highest prevalence rate in the world; the seven worse affected countries are all in southern Africa. Deputy Health Minister Mouzinho Saide reported that 1.5 million people are infected and there are 107 deaths per day from AIDS. (AIM Pt 30 Aug, *O Pais* 31 Aug)

The national population census will be 1-15 August 2017 and schools will be closed 17 June to 20 August to allow teachers and pupils to work on the census; up to 80,000 teachers will be involved. The 2017 school year will start early, on 20 January. The last census was in 2007. Based on the projections from that census, the current population of Mozambique is estimated at 26.4 million. (AIM Pt & En 30 Aug)

Government proposes to ban all exports of logs following the failure of attempts to control illegal exports of hardwoods to China. (AIM En 30 Aug)

Coal India is surrendering all its exploration licences in Tete, saying mining would not be viable. The state-controlled mining company the largest coal producer in the world. (AIM En 30 Aug) Instead, Coal India proposes to buy mines in South Africa.

Peasants must 'work harder' to produce more food is the message from President Filipe Nyusi, his wife and his ministers, because Mozambique imports food it could produce. But such appeals will never work, because Mozambique has never had an agriculture policy, agricultural economist João Mosca told @Verdade (30 Aug). <http://www.verdade.co.mz/tema-de-fundo/35-themadefundo/59254-nunca-houve-uma-politica-agraria-mocambicana-joao-mosca>

Celso Correia is selling one his major businesses, in order to concentrate on his new role as Minister of Land, Environment and Rural Development, where he has won praise. Marcelo Mosse's *Carta de Mocambique* (29 Aug) reports that his main business group Insetec will sell its interests in the country's largest construction company, CETA, which is a privatised former state company.

Mozambican is seeking Kimberley Process Certification to allow the export its newly-found diamonds, amid reports that up to 34 international mining companies have joined the diamond exploration rush. (*Rhula and Mining Weekly*)

Freedom of information laws are only partially implemented according to a survey. Of 49 institutions to which requests for information was made, only 9 (18%) responded within the required time, 7 (15%) eventually responded, and 33 (67%) never responded. (*O País* 31 Aug)

Elephant numbers have decreased by 53% in seven years (2007-14) in Mozambique due to poaching for ivory. <http://clubofmozambique.com/news/elephant-numbers-mozambique-decrease-53-third-africa-just-7-years/>

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This newsletter can be cited as "Mozambique News Reports & Clippings".

If you need to cite it for academic purposes, treat it as a blog. The normal citation format would be:

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

Previous newsletters and other Mozambique material are posted on bit.ly/mozamb

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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: kapicudir@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.riener.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://oficinadesociologia.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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