

MOZAMBIQUE News reports & clippings

337 25 August 2016

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updated to include mediators' proposed cease fire text

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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:

Maputo cuts bus rapid transit

Marrromeu divisions

Facing rigidity on both sides, mediators take a break

Faced with inflexibility on both sides and no progress at a six hour session yesterday (Wednesday), mediators announced they were taking a break and would only return to Mozambique on 12 September. *O Pais* (25 Aug) pointed to the "visible nervousness of the mediation team, particularly Mario Raffaelli, team coordinator", at the end of the session at 22.00 in Hotel Avenida.

Talks Monday and yesterday were about some form of truce or ceasefire. The mediators had agreed among themselves that as they had met president Filipe Nyusi face-to-face, they should go to Gorongosa to meet Afonso Dhlakama. And in discussions, both Frelimo and Renamo agreed in such a trip required a truce. The mediators' proposal called for a "demilitarized corridor" or "other safer and more effective way" to allow the mediators to go to Gorongosa. But Dhlakama said he would only agree to such a corridor if the government withdrew its troops surrounding his base on the Gorongosa mountain, because without that there could be no guarantee of security. But government said it would not withdraw because that would allow Renamo to take advantage of the truce. In particular, government forces occupy some former Renamo bases, which they do not want Renamo to re-occupy. On this point there was no movement. (*Noticias, O Pais, AIM* 23, 24, 25 Aug)

Defence Minister Atanásio M'tumuke used a speech 24 August to stress his opposition to any withdrawal of soldiers from Gorongosa. "The defence forces are not subject to requests or messages for withdrawal from positions and locations where there are attacks, because they are in compliance with the tasks enshrined in the Constitution," he said. (*O Pais* 25 Aug) This seemed a message aimed at the mediators, that he would send troops where he wanted. And it raises a question as to whether President Nyusi has power over M'tumuke, or if he is taking orders from a hard line group in the Frelimo Political Commission. It is the army which is surrounding the Gorongosa mountain and sporadically shelling it, but it is a police paramilitary unit FIR which is doing the actual fighting against Renamo. FIR and the police are under the Minister of Interior, and it appears Nyusi has more control there.

On Thursday morning (25 August) the mediators released a copy of the ceasefire proposal (below) that they had given to the two sides. Just one page and with little detail, it included a call for "the suspension of all hostilities and all forms of violence across the country", including in Gorongosa, and for an international verification mission to monitor the ceasefire. (Zitamar, AIM En 25 Aug)

PROPOSAL OF THE INTERNATIONAL MEDIATORS/FACILITATORS

The presence of International Mediators Facilitators, as well as the delegation of the President of the Republic of Mozambique and the delegation of the President of Renamo, is a response to the desire for peace of the entire Mozambican people.

The delegation of the President of the Republic of Mozambique and the delegation of the President of Renamo, mandated by their heads, agree a suspension of all hostilities and all forms of violence throughout the country. The suspension shall take effect with the arrival of international observers to the country, in all areas where there are military actions, including Gorongosa.

To implement this, once it is agreed by the Mixed Commission, the Government of Mozambique will invite the neighbouring countries and friends that are available to mobilize and dispatch, as soon as possible, the staff necessary for there to be an International Verification Mission.

The delegation of the President of the Republic of Mozambique and the delegation of the President of Renamo, agree to create a demilitarized corridor or other safer and more effective way to allow International Mediators/Facilitators to have personal encounters the president of Renamo President, from the moment in which the suspension of hostilities is agreed.

In order to technically implement such a demilitarized corridor, and to provide information on the movement of international observers in the agreed areas, a specific working group is established with the presence of International Mediators/Facilitators.

The working group, once the cessation of hostilities and all violence is respected by both parties, may propose to the Mixed Commission a schedule of further steps to create the terms and conditions for a permanent ceasefire.

(Published Savana 26 Aug, Joseph Hanlon translation)

PROPOSTA DOS MEDIADORES/FACILITADORES INTERNACIONAIS

A presença de Mediadores/Facilitadores Internacionais, assim como da Delegação do Presidente da República de Moçambique e da Delegação do Presidente da Renamo é uma resposta ao desejo de paz de todo o Povo Moçambicano.

A Delegação do Presidente da República de Moçambique e a Delegação do Presidente da Renamo, mandatadas pelas suas chefias, acordam uma suspensão, de todas as hostilidades e todas as formas de violência em todo o País. A suspensão entrará em vigor com a chegada dos Observadores Internacionais ao País, em todas as áreas onde ocorrem acções militares, incluindo em Gorongosa.

Para o efeito, uma vez acordado na Comissão Mista, o Governo de Moçambique convidará os Países vizinhos e amigos que estejam disponíveis a mobilizar e enviar, o mais cedo possível, o pessoal necessário para a missão de Verificação Internacional.

A Delegação do Presidente da República de Moçambique e a Delegação do Presidente da Renamo, concordam em criar um corredor desmilitarizado ou outra forma mais segura e eficaz para permitir que os Mediadores/Facilitadores Internacionais tenham encontros pessoais como o Presidente da Renamo, a partir do momento em que a suspensão das hostilidades for acordada.

Com a finalidade de implementar tecnicamente tal corredor desmilitarizado, e para fornecer indicações sobre a deslocação dos Observadores Internacionais nas áreas acordadas, é estabelecido um *working group* específico com a presença dos Mediadores/Facilitadores Internacionais

O *working group*, uma vez que a suspensão das hostilidades e todo tipo de violência seja respeitada por ambas as partes, poderá propor à Comissão Mista um calendário de etapas posteriores para criar os termos e as condições de um cessar-fogo permanente.

Comment:

Marromeu - widening divisions

Marromeu, Sofala, shows the divisions that need to be bridged to settle the current conflict. This is a very divided city and the formal statement to President Filipe Nyusi when he visited on 23 August was carefully crafted to be neutral: "Mr President, the population of Marromeu wants peace and not war because peace is the guarantee of our well being. Enough of war and misunderstanding between brothers. We have unforgettable memories of the 16 year war and do not want this scenario repeated." (*O Pais* 24 Aug, but not published in *Noticias*) The stress on brothers clearly puts responsibility on both sides. But Nyusi's response was to blame Renamo and to say the government would defend the people of Marromeu against Renamo.

Municipal election results show that Marromeu is divided between the opposition and Frelimo. In the 2003 elections the Renamo candidate was elected president (mayor) by just 1 vote, while Frelimo won a majority in the assembly by just 17 votes, leading to the first city with an administration split between two parties.

And there is a very strong suggestion that Frelimo stole the 2013 municipal elections from the MDM. (Renamo did not stand) One of the frauds we have confirmed in Mozambican elections has been polling station staff invalidating opposition ballot papers by adding a second ink mark. Illiterate voters do make mistakes and in a normal election there are about 4% invalid votes, and in the 2008 municipal elections in Marromeu invalid votes were under 5%. In the 2013 election the Frelimo candidate beat the MDM candidate by 3.3% of the vote, but there were 10.9% invalid votes - unbelievably high. The difference between the two candidates was 283 votes, but the results suggest that more than 600 ballot papers were falsely invalidated - presumably votes for the MDM. For municipal assembly there were 12.5% invalid votes - much higher than any other municipality. Of course this is not proof, but it is highly suggestive, because there seems no reason why the voters of Marromeu would be so much more likely to spoil their ballot papers in 2013 than in 2008. (For a more detailed explanation, see *Mozambique Political Process Bulletin* 54 and 56 on the 2013 and 2014 elections.) *jh*

Comment: In Colombia the government and FARC rebels signed a peace deal on 24 August, after four years of negotiation in Havana. Three aspects of the negotiations were significant. First, both sides had new leaders who were not tied to earlier rigid positions, a new president Juan Manuel Santos, and a new head of FARC, Timochenko. Second, both sides realised they could not win the war and needed a settlement. Third, they did not use high profile mediators. Once the two new leaders decided they needed to talk, they also took a nationalist line that the war had to be ended by Colombians. They used Cuba and Norway as facilitators and to provide resources for the extended talks, and did turn to them for suggestions and technical help. But Cuba and Norway (and eventually other outside experts) only responded when requested and never took the lead. An interesting final point is that the agreement will be put to a referendum - a gamble because there is some opposition led by the former president to any peace deal, but if approved it will show that the agreement has popular support. *jh*

Other war news

Former Renamo guerrilla Raúl Dique has been named deputy head of General Staff of the Mozambican defence forces. He had been air force commander, and he replaces Olímpio Cambona, also a former Renamo guerrilla. This continues the system set up after the 1992 peace accord that the head of General Staff comes from Frelimo and his deputy from Renamo.

Renamo raids on at least two hospitals and two health clinics over the past month were condemned Wednesday by Human Rights Watch. The raids "are threatening the health of thousands of people [and] Renamo's leadership needs to call off these attacks on health facilities immediately." <https://www.hrw.org/news/2016/08/24/mozambique-opposition-group-raids-hospitals>

Four people were injured, two seriously, when Renamo shot at a military convoy going toward Tete on Sunday on the N7 road.

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Debt and economy

Maputo cuts spending 37% & stops bus rapid transit

The economic crisis has forced Maputo to cut its budget for this year by 37%, from 6,306 mn meticaís (\$86 mn at current exchange rates) to 3,973 mn meticaís (\$54 mn). The main fall in revenue is in aid funding, with internal revenues down 11% and external resources down 73%. The revised budget was approved by the municipal assembly Tuesday (*O País* 24 Aug)

Meanwhile the proposed bus rapid transit system will not be built, revealed @Verdade (24 Aug). Work was supposed to start last month, and the system was to have been built by the Brazilian firm Odebrecht with a \$330 mn Brazilian export credit. But such credits require government guarantees, which are not forthcoming after the revelations of \$2.2 bn in secret debt. @Verdade points out that this loan would have been only 15% of the secret debt, and be much more useful.

Bus rapid transit is used in Johannesburg and is common in Latin America. Buses use special lanes and are boarded at high platform stations as on a metro, and provide a very fast service. But they are cheaper than rail systems because they do not need bridges and pass through ordinary road junctions. The two proposed routes would have run from the baixa to Zimpeto and to Magoanine. <http://www.verdade.co.mz/tema-de-fundo/35-themadefundo/59178-metro-de-superficie-para-maputo-parece-esquecido-obras-do-brt-adiadas-qsine-dieq-por-falta-de-dinheiro>

Could the IMF back off?

Satisfying the IMF remains key to resolving part of the secret debt crisis. When President Nyusi goes to the US 15-20 September and meets the gas companies, he hopes to ensure more than \$1 bn in capital gains to fill the budget hole. He will also meet IMF head Christine Lagarde in Washington. The next IMF mission will arrive in Mozambique on 22 September. Zitamar (22 Aug) points out that "two of the Fund's harshest critics of Mozambique are leaving their posts at the end of August." Resident representative Alex Segura-Ubiergo has finished his three year term and will be replaced by Brazilian Ari Aisen, while the head of the Africa department, Antoinette Sayeh, is retiring. Both took the revelation of the secret debts as a personal affront. Nyusi will want two things from the IMF - that it does not require a forensic audit of how the money was used (thus protecting his predecessor Armando Guebuza and others in the Frelimo leadership who may have benefited), and that they accept that the capital gains tax can be used to plug the hole.

Loan pushing & other debt background

The original Ematum bond was only \$500 mn, but so many investment funds wanted to lend Mozambique money in 2013 that the country was encouraged to borrow an extra \$350 mn that it did not need. This is a classic example of what is known as "loan pushing". The global economy is cyclic and there are periods, as now, when there is surplus capital and lenders take on increasingly risky lending to developing countries - often encouraging countries to borrow too much, as happened in the 1920s, 1970s and recently.

I am the author of the "Debt and Development" chapter of the Oxford University Press textbook *Introduction to International Development*, and I have been given permission to post on my website

the chapter from the second edition. It has a discussion of lending history, illegitimate lending and lender responsibility - which has clearly been violated in this case. It can be downloaded from <http://bit.ly/Debt-Dev>

Other news

Foreign currency reserves fell by \$29.2 mn in July. (*O Pais* 24 Aug)

Organic cotton has failed in Inhambane. After two decades, the project has been abandoned, and the Cotton Institute (Instituto do Algodão) has closed its local office. Organic cotton was first introduced as a project in 1996 and part of the province received international certification. (*Notiicas* 23 Aug)

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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://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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