



cfm news & notes

OCTOBER, 1971 #9

"It (Cabora Bassa) stands quite clear that little of the wealth it could create will, under the present arrangement; filter down to the African population of Mozambique ... the main beneficiary of the plan will not be Mozambique, however, but South Africa."

Eduardo Mondlane, The Struggle for Mozambique, Page 98.

CABORA BASSA - WHAT PRICE DEVELOPMENT?

Cabora Bassa has become a symbol of Portuguese determination in the war in Mozambique to hold onto its colonial empire. Cabora Bassa is a dam, a hydro-electric power station, and, consequently, a supplier of electricity. With the water from the Cabora Bassa the Zambezi Valley will become fertile farm land where farmers will prosper and agricultural produce will increase. With the electricity thousands of megawatts will be generated to light homes and give the necessary energy to industry. It sounds good.

But since the plans for the Cabora Bassa were first announced in 1965, the project has been a center of controversy. The Mozambique Liberation Front (FRELIMO) has called the Cabora Bassa project "a criminal colonial project intended to strengthen the power and rule of the imperialist and most reactionary forces in Africa." (Standard of Tanzania, 10/14/70). What are the reasons for FRELIMO's condemnation of the development scheme behind Cabora Bassa?

Mozambique is part of a picture. The picture includes other colonial and racist countries; South Africa, Rhodesia, Namibia, Angola and Guinea-Bissau, and their desire for economic and political control of black Africa. The picture has recently added parts - Malawi, Malagasy Republic and the Ivory Coast.

The long term goal drawing these countries together is the creation of a free trade area with South Africa as the industrialized center and other countries as complements. The less industrialized countries will receive an export market (South Africa), South African loans, cheaper imports of manufactured goods, and the export of migrant workers to South Africa. In return South Africa will harness all the economic and human resources to build the largest manufacturing and industrialized country ever envisioned in black Africa.

Although the union looks attractive to a minority of black-governed countries, economic disadvantages exist. The exposure of the disadvantages inherent in the nature of the scheme is an important part of the Cabora Bassa story often left untold.

The South African investment in white and black dominated countries of Africa has only just begun. South African capital loaned to other countries rarely goes into industry because South Africa does not wish to set up competitive industries. South African private capital has gone into mineral concessions to extract ore and public capital has gone into non-industrial investment; witness, the South African loan to build Malawi's new capital at Lilongwe. South African investment is tied to the use of South African goods. South Africa has loaned Malawi capital to construct the Nacal rail link on the condition that all equipment for the project be purchased from South Africa and that the construction be done by a South African firm. Such a clause makes the whole project unnecessarily expensive.

The export market is a similar one-sided deal where South Africa seeks to widen its export market of manufactured goods. The Malawi trade agreement with South Africa in 1967 specifically states that exports from Malawi to South Africa be agricultural products, not manufactured goods. South Africa wants no competition with its own manufactured goods. Similar to the Malawi agreement are the agreements South Africa has with the former High Commission Territories, Botswana, Lesotho and Swaziland, where the South African market is not freely available to their manufactured goods. However, South African goods flow freely into these poorer countries. The trade relationship is the classic one so common between industrialized and under-developed states - the latter confined to agricultural goods and the export of basic minerals.



The site where the Cabora Bassa dam is being built.

David Lomax, Camera Press London

The Cabora Bassa project is a prime example of development between a rich industrialized nation and a poor one, in this case the colonial territory of Mozambique. The project's chief beneficiary is South Africa. South African interests can be illustrated by reports that two South African battalions are helping to defend the dam against guerrilla attacks. In the dam area alone FRELIMO has penetrated close to construction sites, forging on to liberate new regions south of the Zambezi River. Portuguese reprisals against civilian populations have been described by Roman Catholic white fathers as literal "massacres."

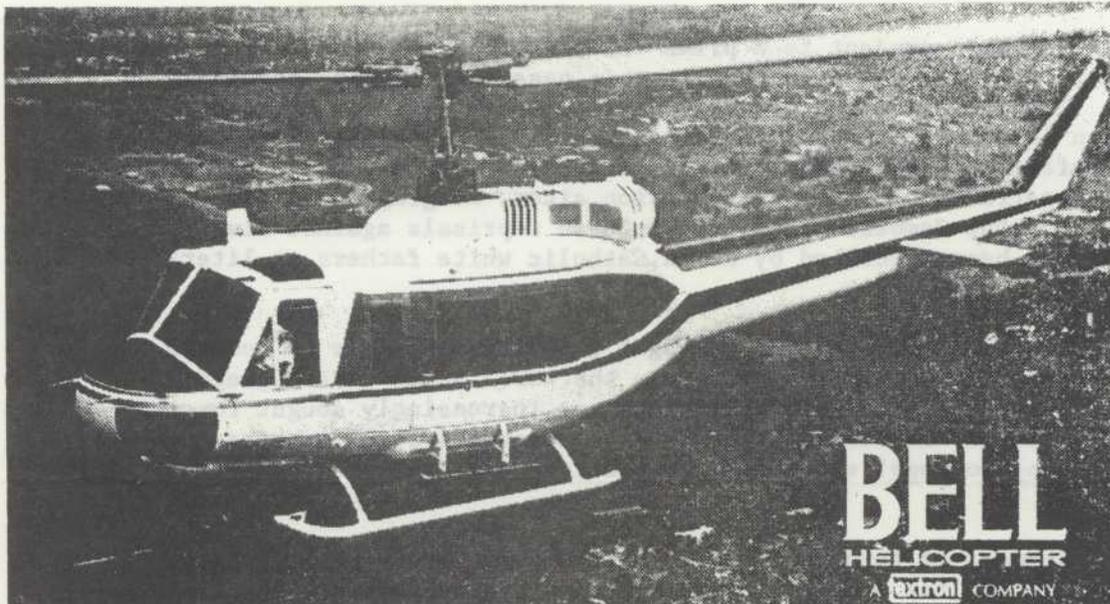
What price "development?" For Portugal the alternative is to turn to foreign countries and their capital to win the war. Since FRELIMO began its armed struggle against Portugal, Mozambique has increasingly sought foreign investment. Foreign investment by private corporations is an impetus to pressures backing Portugal since the corporations are committed to protect their investment.

The involvement of foreign capital on the Cabora Bassa project is extensive. A consortium, ZAMCO, the Zamco-Zambezi Consorcio Hidroelectrico, lda., consisting of 17 foreign companies and one Portuguese was awarded the contract. Most of the companies are German, French or South African. The Portuguese are financing the project by export credits from the participating governments.

The Portuguese have other uses for Cabora Bassa besides electrical power. Political considerations are paramount. 25,000 Africans in the area will be resettled elsewhere. A new township near the dam site is to be established for European technicians and their families. Calls for white settlers in the Zambezi Valley have been issued by the Portuguese government. Though Portugal already suffers a population drain, the development of the area around Cabora is seen as a spur to push back FRELIMO's advances by settling the area with Portuguese. Yet again, the maximum security surrounding the area, because of FRELIMO's successes, has upped the ante of the project.

Although a number of companies in Italy, Sweden, America, and England have withdrawn from the dam project, as a result of African and domestic pressures, the implicit support of these Portuguese allies for this kind of development still exists. Thus, the Export-Import Bank refused credit to the General Electric Company which had wanted to contract for the dam, but the U.S. government has not acted on the more strategic sale of Bell Helicopters to the Zambezi Valley Development Project. This corporation is in charge of the entire valley development including the activities of the ZAMCO consortium working directly on the dam. Five Bell helicopters had been sold early in 1971 to be put together by the Portuguese in Mozambique. This sale not only aids the Portuguese who use the helicopters for military as well as civilian purposes but also opens the possibility that the U.S. is violating economic sanctions against Rhodesia.

Rhodesia and South African sources have indicated that the Cabora Bassa project will provide the illegal Smith regime with three benefits: 1) Rhodesian industry will be the recipient of increase sales from Mozambique, 2) the dam will eventually provide Rhodesia with another source of electricity, and 3) it will open for Rhodesia its first outlet to the sea by making the Zambezi River navigable.



The United Nations mandatory sanctions against Rhodesia initiated in 1965 and expanded by Resolution 253 in 1968 included the following clauses: "that all Member States shall prevent - 1) any activities by their nationals or in their territories which would promote or are calculated to promote the export of any commodities or products from southern Rhodesia..., 2) any dealings originating in Southern Rhodesia..., 3) the sale or supply by their nationals or from their territories of any commodities or products...to any person in Southern Rhodesia or to any other person for the purposes of any business carried on, in or operating from Southern Rhodesia."

Thus the UN resolutions, to which the U.S. is legally bound by Presidential Executive Order, states that an act, such as selling helicopters to be used in connection with a project which aids the export of goods from Rhodesia or supplies Rhodesia with goods, is illegal. A Canadian study about the sale of aluminum rods to be used in the dam project concluded the illegality of that sale while a Swedish firm, ASEA, withdrew from the project because the ZAMCO consortium could give no assurances that Rhodesian goods would not be used.

The Nixon administration is obviously little concerned with the continuation of strict Rhodesian sanctions. Our government could have prevented the sale of Bell Helicopters and did not. By failure to oppose it the present administration allowed the passage of a senate bill calling for the renewed import of chrome from Rhodesia. The U.S. by these acts is firmly committed to the perpetuation of white dominated southern Africa.

Economic development is never isolated, it occurs within a context, a context of political implications and economic subterfuge. A dam is never just a dam. It is a symbol, in this case a weapon to be used against the Africans fighting for independence. If Mozambicans cannot be beaten with guns, the Portuguese will attempt to defeat them through alliances with her neighbors. The primary goal in constructing Cabora Bassa is not to benefit Mozambicans but for South African and its partners in the West to increase their hold on Mozambique - beyond that, black Africa.