

Escudo border closure

Same rate

President Machel said the metical would have the same exchange rate as the escudo — 35 to the US dollar.

Borders were closed with South Africa, Malawi, Zimbabwe, Swaziland, Zambia and Tanzania. The government said ships and aircraft would be allowed to enter Mozambique's ports or airspace only in exceptional circumstances.

This measure was taken to prevent outsiders from arriving with large holdings of now-worthless escudos.

Radio Mozambique said one of the reasons for the changeover, besides ending a last vestige of Portuguese colonialism, was to end forgery of escudo notes and the distribution of these false notes by "enemies of the people" bent on sabotaging "the progress of the revolution".

The radio said the currency changeover was made without warning "to strike a blow at the enemies of the people." — SAPA-AP.

MAPUTO. — Mozambique closed its borders and banned ships and aircraft from entering its space yesterday at the start of a three-day campaign to change the national currency.

President Samora Machel, in a special speech, said the old escudo, a remnant of Portuguese colonial days, would be withdrawn and the new currency, the Metical, issued in its place.

Mozambicans have until tomorrow to exchange their escudos for meticals, it was announced by Radio Maputo. The metical takes its name from an old currency used by Arab traders who roamed the region in the last century.