

# Rebels hinder progress

THE performance of the Mozambican economy has been undermined by South African sponsored rebel activity and direct South African military and economic destabilisation.

A Southern African Development Co-ordination Conference document, detailing Mozambique's economic performance, said the cost of destabilisation had been estimated at US\$15 billion or ten times the country's GDP.

Prior to 1987, real GDP declined by eight percent per annum. The introduction of the economic recovery programme in the same year reversed the decline of most of the decade, and turned it into an average of five percent GDP growth rate per annum.

Agriculture had done well, growing at about 6.6 percent in both 1988 and 1989. Between 1986 and 1988, marketed maize and rice increased by an average of 49.7 percent and 27.1 percent per year, respectively.

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Industrial production grew by 0.1 percent in 1987, 4.9 percent in 1988 and 7.9 percent in 1989. Although these growth rates were impressive, they started from a very low base, and were not enough to compensate for the disastrous decline of the first half of the decade.

The transport infrastructure, although a subject of continued sabotage, had been expanding as a result of Sadcc-sponsored rehabilitation work on the Beira, Limpopo and Nacala corridors. Cargo handled by the Beira Corridor increased by 35 percent in 1987, 24 percent in 1988 and 31 percent in 1989.

The war and destabilisation activities led to widespread disruption of rural communities, 500 000 deaths and more than five million refugees and internally displaced persons. This disrupted agricultural activity, resulting in life-threatening famine.