

Can Mozambique avoid a 'Jacaranda Revolution'?

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Good morning. And welcome to this conference looking at 50 years of independence. I first came here in 1978 and since then have continued to observe and write about Mozambique. Unfortunately, my spoken Portuguese remains poor so I will speak in English. As an outsider, I feel particularly honoured to be asked to reflect on Mozambique's 50 years of independence. I see Mozambique as my second home, and thus I am especially sad to say that Mozambique is now in crisis.

The fascist state in Portugal collapsed 51 years ago without a shot being fired, and it was called the "Carnation Revolution". Frelimo is losing support of the professional middle class and young people returning from university abroad. The army cannot be trusted; sent to Ressano Garcia to combat the demonstrators last November, instead the army sang in support of the protesters. Might the Mozambican oligarchy simply collapse and flee to Dubai or Cape Town? Would we call it a "Jacaranda Revolution"?

Government admits poverty and inequality are increasing. The World Bank says Mozambique is one of the most corrupt countries in the world. I have reported on all of Mozambique's multiparty elections, in recent years for CIP and with hundreds of local correspondents. And I can say that misconduct in last year's election was so great the no one can know who actually won. Outsiders look at Mozambique and see it is in trouble.

Many states are in crisis today. In each one, the shape of the crisis is different. Historic research shows that three things cause states to collapse. One is increasing inequality. The second is the concentration of political and economic power by a corrupt elite. And the third is lack of democracy. It is not just the unfair elections, but the lack of other mechanisms where people feel that can influence decisions. Fifty years after independence Mozambique fits this pattern. Ordinary people feel marginalised and are restless.

Let us look at three countries which have some similarities to Mozambique, but are moving in different ways.

Romania was a communist country until the end of the Cold War. A new government turned to the IMF which imposed austerity, the free market and neoliberalism - exactly as in Mozambique. And as in Mozambique the oligarch state was encouraged in Romania. It still has high levels of inequality, poverty and corruption, which caused instability and unrest. In May this year (2025), the progressive mayor of Bucharest, Nicuşor Dan, was elected President.

Could Romania be a model for Mozambique? Or is Frelimo so sure that it would lose a free election that it will not allow one?

Second, consider **Bangladesh** which came to independence in 1971 after a brutal war against Pakistani occupation. The new government invested to build the economy - roads, support for peasant farmers, and education, especially for women. But when Sheikh Hasina became prime minister in 2009, she transformed the country into a corrupt oligarch

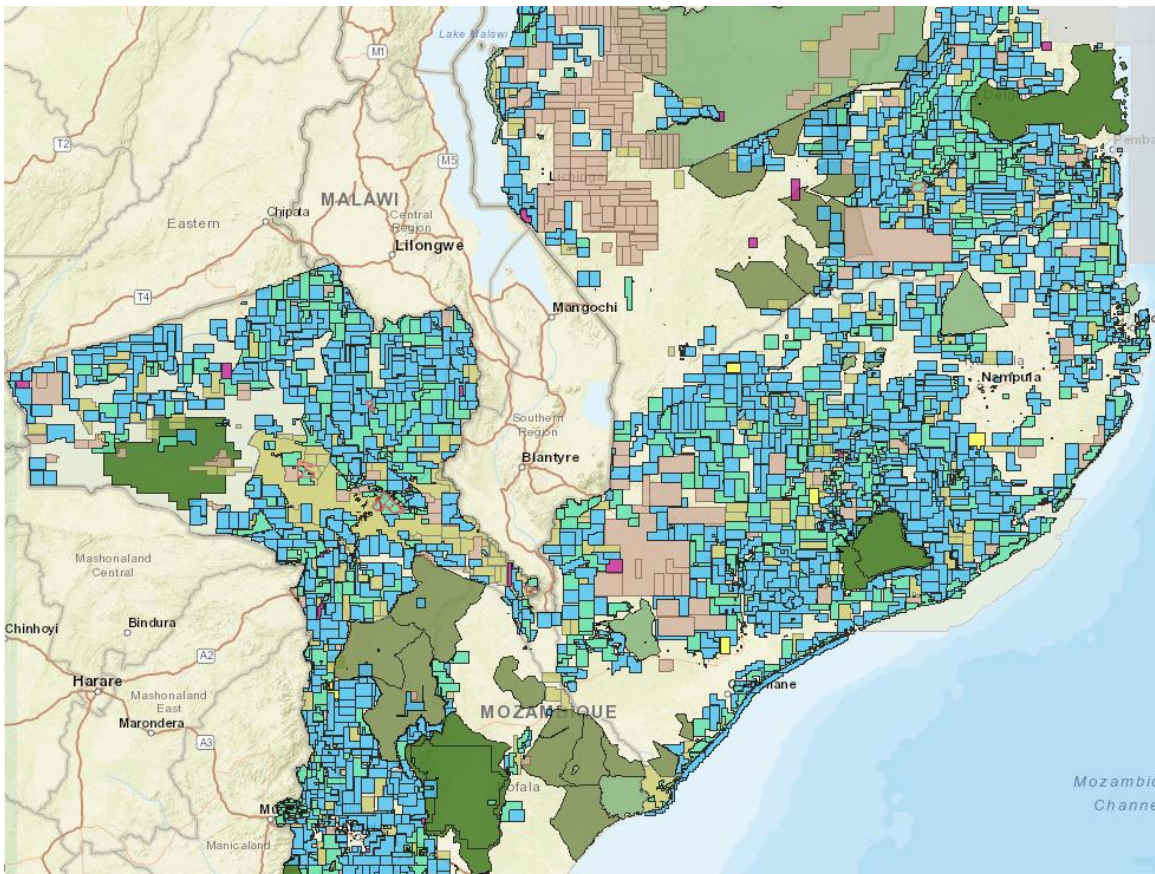
state with increasing poverty and inequality. In July last year student protesters shut down Dhaka and other parts of the country, and protest became a revolution; 1000 protesters were killed. Sheik Hasina called the demonstrators 'terrorists', but lawyers and doctors backed the student protestors. On 5 August, Sheik Hasina fled to India.

We were in Bangladesh a decade ago researching a book and were shocked to find an elite who knew the party was over and were preparing to leave. Children were sent to universities abroad on the assumption they would not return, and the upper middle class was already preparing to go to Singapore or Dubai.

And we see this happening in Mozambique, with part of the elite building links in Portugal, Cape Town, Dubai and Mauritius.

The third country to look at is Mozambique's neighbour **Zimbabwe**, where the independence party ZANU and its oligarchs remain in power. It came to independence in 1980, after a war supported by Frelimo. In each country two-thirds of the population is rural. Both are considered extractive economies. In Zimbabwe, the 1980s saw economic growth with strong government support for family farmers - so much so that people moved from the cities back to rural areas. But the 1990s saw the standard set of World Bank and IMF programmes, also imposed on the former socialist countries including Romania, and on Mozambique. These policies hit rural people hard. Then in 2001 Zimbabwe carried out the largest land reform in modern history. About 4000 white settler farmers controlled 30% of Zimbabwe's farmland, but they were not using the land. In 2001 war veterans led the occupation of most of that land by 175,000 black farm families. It took time, but today the land reform farmers feed Zimbabwe..

Mozambique went the other way. Encouraged by the IMF, World Bank and donors, it prioritised becoming an extractive economy. Foreign mining and gas companies were given land. They pushed tens of thousands of local farmers off the land.



This map is from the excellent Mozambique mining cadastro, covering the country north of Beira. The large dark green and light green areas are national parks and hunting reserves. The small blue and green squares are mining concessions. The tan squares are zones reserved for mining. There is hardly any land left for farming. How will the displaced people earn a living? How will Mozambique feed itself?

In both Mozambique and Zimbabwe, there is conspicuous wealth beside rural poverty. In Zimbabwe, nearly empty white farms were next to tiny peasant farms. There were no jobs. So farmers took the land.

In Cabo Delgado people working on mining or gas passed thru in expensive 4x4s without stopping to buy anything from local traders sitting by the roadside. Militant preachers said that Sharia law called for equity, and that under an Islamic state, Frelimo would not be allowed to steal the wealth. It was the same socialist message the Frelimo had used in the same areas 50 years before. Insurgents launched their fight in 2017 and gained support.

Initially the response was the same, but was soon very different. In Zimbabwe in 2001 President Robert Mugabe opposed the land reform. In Mozambique in 2017, the government said the insurgents were terrorists.

But Mugabe soon realised the land occupations were popular. He changed his position and worked with the land reform farmers, and listened to what they said. The excellent agricultural extension service was shifted to support the new land reform farmers. And the grain marketing board set a guaranteed minimum prices for maize - at approximately import parity price. The price for maize was high enough that farmers could afford fertilizer and good seed, so production grew. Land reform farmers now produce maize and tobacco for export. The rural economy has been transformed with job creation and new market towns. Despite mismanagement and corruption, ZANU remains in power because of support for family farmers.

In Mozambique the army and police could not defeat a tiny group of insurgents who had local support. They occupied Palma in 2021, and held it for a week. Total Energies declared force majeure and suspended work on the gas - which has not resumed. So President Nyusi called in Rwandan mercenaries. Nyusi refused to talk to "terrorists" and did not hear their message - that they only wanted jobs.

Even the donors heard the message. In late 2021 the World Bank and European Union offered a two thousand million dollar development programme for Cabo Delgado, if the government admitted that there were internal causes of the war. President Nyusi refused to even submit the proposal to the Council of Ministers, and the rejection of a 2 billion dollar offer never became public.

The crisis became worse. Frelimo lost the support of many young people and their parents. Frelimo's choice was to manipulate the election so that no one knew who won, and then claim victory. The result was widespread demonstrations, especially by young people. At first in late 2024 they demanded "electoral truth", but by early this year the message was the same as in Cabo Delgado, namely that young people had no jobs and could not see a future for themselves. But Frelimo is deaf to its own children

Marcelino dos Santos told the story of him being part of a brigade touring the country in 1983 before the fourth Frelimo Congress. It was a time of growing discontent. He and other officials were sitting at a table at the front of a meeting. A peasant stood up and said to dos Santos: "Do you want to know where the problem is? It's under the table." Dos Santos and the others looked, but saw nothing. "Look again," the peasant said. Still nothing. Finally he said: "Shoes. You are wearing good new shoes. We produce the wealth of this country, but we are barefoot." Forty years ago Frelimo was still trusted. People were willing to speak out, and dos Santos himself told that story. Today, Frelimo is authoritarian and there is no point in speaking, because Frelimo does not listen.

How did Frelimo become deaf to its own children

There are many failing states, and some, including Mozambique, were partially shaped by outside forces. Understanding that history is a starting point for Mozambicans to rethink. My new book, published today, argues that outside forces -- the IMF and donors and global corporations - set out to recolonise Mozambique. And they did it by forcing part of the elite to become the new colonial administrators. They did it by creating a "greed is good mentality", and by encouraging corruption.

The story starts with Portuguese colonialism. Portugal was a member of NATO so the West backed Portugal to keep its colonies. Thus the Mozambican liberation movement turned to socialist countries for support. In 1981 Ronald Reagan, the new US President, intensified the Cold War and waged a proxy war against what he called communist Mozambique. One million Mozambicans died in a decade. Eventually the West won the Cold War. The Berlin Wall fell and the Soviet Union broke up. The group of seven western industrialised countries in meetings in 1990 and 1991 decided to impose what was called "shock therapy" on the former countries of the Soviet Union. It included privatisation, free markets, and austerity and led to the creation of oligarchs. That policy was also imposed on Mozambique.

4000 companies were privatised, mostly to the Frelimo elite. The World Bank internal Operations Evaluation Department admitted in a secret report that the World Bank forced

Mozambican banks to lend money to the new owners, knowing the money would not be repaid. The World Bank and IMF imposed what were obviously corrupt privatisations of two banks. At a meeting with ministers in the dining room of the World Bank house, the World Bank manager from Washington explained to ministers that if they refused, the World Bank would order all aid to Mozambique stopped. If you refuse, your children will starve, she said. Both banks were privatised, looted and collapsed. Honest Mozambicans tried to stop the crisis and Siba Siba Macuacua was named president of Banco Austral to clean up the mess there. Siba Siba was thrown down the stairwell of the 15 storey building in the baixa. The assassination was investigated, and a judge even named the senior person who he said ordered the killing. But the killers never went to trial, and the donors gave extra money to Mozambique as a reward.

Officially, the World Bank says bank privatisation was "satisfactory", but in 2001 the World Bank's Operations Evaluation Department did another secret report which concluded that "bank privatization has substantially failed." That secret report then goes much further. It says in Mozambique "After fourteen years of reforms, the main objective of reducing poverty substantially through sustained private sector led growth, has not been achieved." These secret evaluations are done by top people, and this one says - in effect - that for 14 years the World Bank was lying to Mozambique.

How can that be? It means there must be another agenda. The internal evaluation says "the Bank stands accused of indebting the country while benefiting nonindigenous interests and not Mozambicans." In my new book I give details of how the real IMF and World Bank agenda was to promote recolonisation through "Shock therapy". Members of the elite became rich by ensuring these assets benefitted multinational corporations. Also part of the package, austerity was imposed and even nurses, teachers and functionaries did not earn enough to feed their families. So they had to take bribes. And, to this day, government is corrupted.

The main goal was to buy the elite. Donors accepted corruption on contracts, land, and so on. This created the new oligarchs. And by 2000 the IMF and donors had accepted the heroin transit trade, then run through the presidencia which brings \$100mn per year into the Mozambican economy. It is shared by Frelimo, the oligarchs, and the thousands of people who must be bribed to allow it to run smoothly.

The next step by the donors was to use the compliant oligarchs to take Mozambique's resources, starting in the decade 2000-2011 with the megaprojects. Using Cahora Bassa electricity to smelt imported alumina, sending Inhambane gas to South Africa, and opening up huge coal mines. The World Bank gave 'aid' for those projects which were supposed to be part of development. But it was another lie. Most Mozambicans gained nothing. But the oligarchs profited and became the new colonial administrators.

The next decade saw the Cabo Delgado resource boom, with natural gas, rubies, graphite and other resources. Oligarchs and their families gained land for exploration and then sold most to foreign mining companies to actually exploit the mine. Gas companies promised 1000s of millions of dollars and thousands of jobs, which never appeared. Tens of thousands of families were pushed off land. Farmers, traders, artisanal miners, and coastal fishers lost their livelihoods. And they are angry.

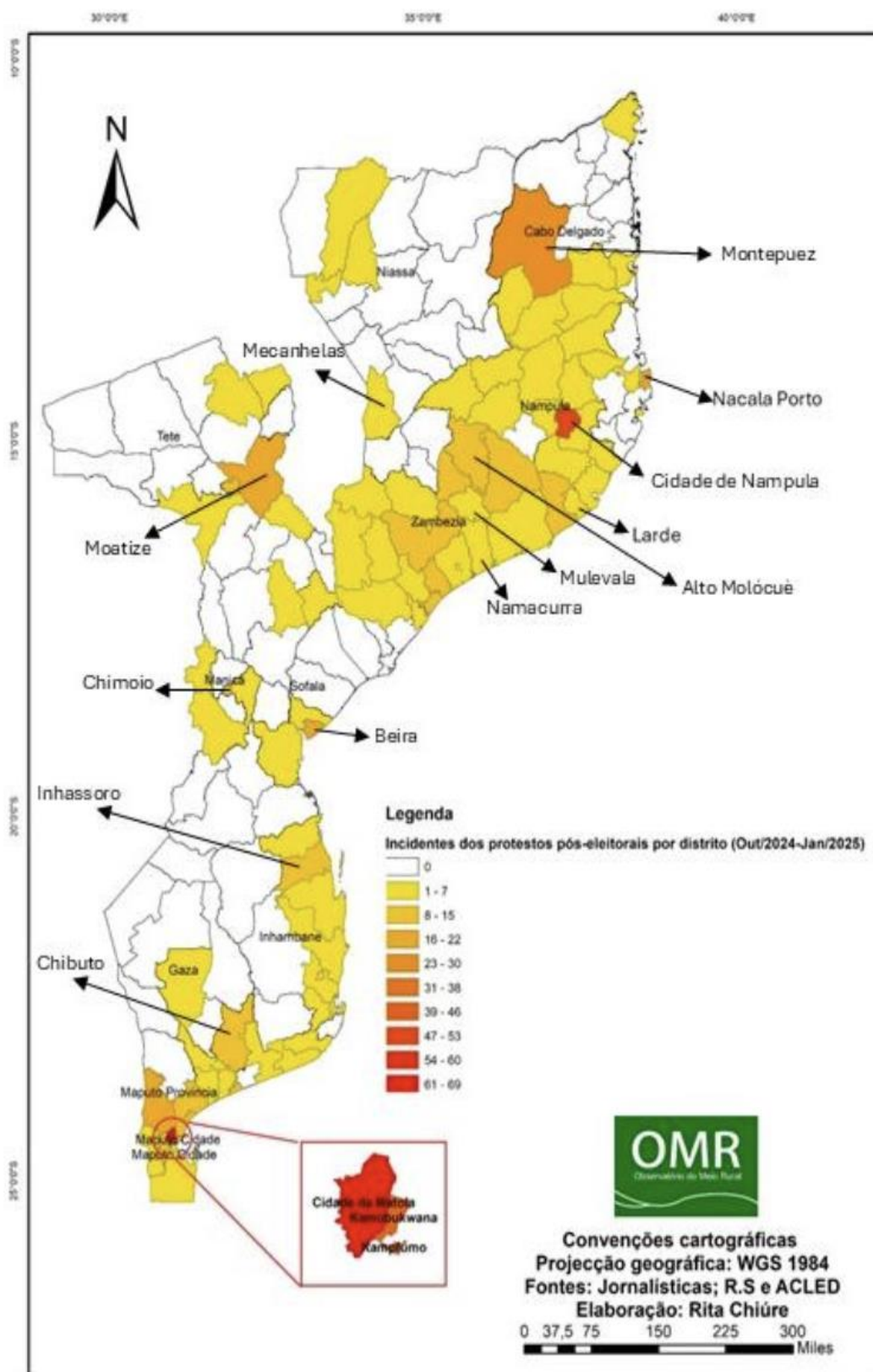
Collapsing support

But Frelimo continues to make decisions against its own interests. It could have stopped the Cabo Delgado war by creating a few thousand jobs, at much less cost than the fortress TotalEnergies is building at Afungi. Pressure could have been put on mining and gas companies to do training and create thousands of local jobs. Government could have demanded that graphite be processed locally, instead of being sent to the United States and Britain, which are subsidising the processing.

Look at agriculture, where oligarchs do harm to the two-thirds of Mozambicans still living on the land. Export Trading was forced out to allow a politically-linked company take control of pigeon peas (*feijão Boer*), harming thousands of peasant farmers. Olam, one of the world's largest commodity traders, closed its cashew factory in Monapo in 2021, putting 3000 people out of work. Informally, it blamed unfair pressures by powerful people. Mozambique imports more than \$400mn per year of rice, which could be grown locally, allegedly because the importers have high level links.

The oligarchs believe they can keep control through administrative means, by control of parliament, courts, and election administration. But administrative tricks may not keep working. The 2018 and 2019 elections were already seen as fraudulent and the parliamentary parties were belatedly allowed to agree changes to the electoral law. Parliament approved them, but President Nyusi vetoed the law at the last minute, so the election was held under the old law. This was open debate only for show.

Frelimo knew it was losing support. I worked for the Public Integrity Centre on our election newsletter for both the 2023 municipal elections and 2024 national elections. Misconduct was huge. Venâncio Mondlane was elected mayor of Maputo, and I know because I saw the 800 official editais. Even the Maputo middle class no longer supports Frelimo. But Frelimo was declared winner. For the 2024 election we had 500 local correspondents, and all we can say is the misconduct was so huge that no one knows who really won. The result was demonstrations of thousands of young people across the country. As this map shows, it was not just in Maputo, but in all the urban areas of the country. The police shot dead 350 protesters.



In response, the new President Daniel Chapo has begun a consultation with political parties but with Chapo chairing meetings and the organisation done by Frelimo. A leisurely pace means that it will take another four years to reach any consensus. As with the electoral reform five years ago, this is public debate only for show.

But the new colonial masters, the donors and IMF, do not like what they have created. Aid to Mozambique is being significantly cut. And political support is reduced. Mozambique is

no longer the favoured child. The IMF is likely to increase its pressure, forcing more austerity, exchange rate cuts, and a cap on domestic borrowing. Both ordinary people and elites will feel the squeeze.

Many in the elite hope they can continue as colonial administrators, taking their rents, and keeping administrative control. But the carnation revolution in Portugal 51 years ago and the revolution in Bangladesh in July last year both had the same shape. Opposition grew and young people joined with professionals. With the people in the streets, the government simply disappeared. This could happen in Mozambique. Young people are only temporarily calm. Even Frelimo's children want change. The war in Cabo Delgado continues and there will be thousands of young people - and their parents - in the streets. The oligarchs would flee. And it might be called the Jacaranda Revolution.

But there is an alternative. Mozambicans did not intend to create the corrupt oligarch state, but were pushed into it by the dishonesty of the World Bank, IMF and some donors saying shock therapy would develop Mozambique. A few at the top have benefitted and become wealthy and powerful by serving the new colonial masters. They correctly say this is what the IMF and World Bank told us to do. But Frelimo's children and grandchildren realise Mozambique is a colony again. Frelimo could listen to its children instead of shooting at them. Together Mozambicans could fight for independence from the new colonial rulers, and try again to build a nation that benefits everyone. That would be a real Jacaranda Revolution. I titled this lecture, Can Mozambique avoid a Jacaranda Revolution? But a better title is: Which Jacaranda Revolution will it be?

