

MOZAMBIQUE COUNTRY PROFILE

Capital: Maputo



Quick Facts

Population: 19,686,505

GDP (Purchasing Power Parity): \$26.03 billion

GDP per capita (Purchasing Power Parity): \$1,300

GDP composition by sector:

Agriculture: 24.2%

Industry: 41.2%

Services: 34.6%

Size of labor force: 9.2 million

Labor force: by occupation:

Agriculture: 81%

Industry: 6%

Services: 13%

Unemployment Rate: 21%

Population below poverty line (\$2/day): 70%

Life expectancy at birth: 39.82 years

HIV/AIDS – adult prevalence rate: 12.2%

Adult Literacy Rate (age 15 and over):

Male: 65.5%

Female: 32.7%



For more information: <http://cia.gov/cia/publications/factbook/geos/mz.html>

Political History

Mozambique was first inhabited by the San people. Portuguese explorers first arrived in search of resources and slaves in 1498. Portugal lost focus on Mozambique as the years went on. This was due to more lucrative trade in Asia and other parts of the world. Mozambique was left in the hands of privately owned British companies such as the Mozambique Company and the Zambezi Company. During the African wave of independence after World War II, Portugal hung onto their colonial possessions. The Front for the Liberation of Mozambique (FRELIMO) was formed in 1962 to fight against

Portuguese rule. After a coup in Lisbon in 1974, Mozambique was declared independent on June 25, 1975. The first 10 years of independence were full of turmoil. A civil war between the Soviet Bloc-aligned FRELIMO government and an armed resistance group called the Mozambique Resistance Movement (RENAMO). Because the FRELIMO government had been providing a safe-haven for resistance groups from South African (ANC) and Zimbabwe (ZANU), RENAMO was sponsored by the white-minority ruled Rhodesian and Apartheid governments. RENAMO, who used brutal tactics against civilians and were notorious for the use of child soldiers, also enjoyed sponsorship from the United States in the name of anti-communism. The civil war lasted over 10 years, claimed nearly 1 million lives, displaced 5 million people, and left many others with life changing injuries due to landmines. The fighting ended in 1992 when FRELIMO signed a peace accord and decided to change to a multi-party, free market democracy. RENAMO became the primary opposition party and has been represented in elections ever since. The first of these elections came in 1994, and Joaquim Chissano came to power. Under Chissano, nearly 1.7 million people repatriated from surrounding nations and 4 million internally displaced people were able to return to their hometowns. Chissano ruled until 2004, when Armando Guebuza, also with FRELIMO, won the elections. Guebuza and his government face the enormous task of rebuilding a nation still suffering from a long civil war. His economic policies have made Mozambique an attractive place for foreigners to invest.

For more information: http://en.wikipedia.org/wiki/History_of_Mozambique,
http://en.wikipedia.org/wiki/Mozambican_Civil_War

The Economy

At independence, Mozambique was one of the poorest countries in the world. The civil war from 1977 to 1992 devastated economic growth and left society in ruins. In 1987, the government embarked on a series of macroeconomic reforms designed to stabilize the economy. These steps, combined with donor assistance and with political stability since the multi-party elections in 1994, have led to dramatic improvements in the country's growth rate. The introduction of a value-added tax and reform of the customs service have improved the government's revenue collection abilities. Mozambique still remains heavily dependent of foreign aid for its yearly budget. Under HIPC, the country has been able to manage its debt, but it is still a matter of concern at \$966 million. The primary agricultural products are cotton, cashew nuts, sugarcane, tea, cassava (tapioca), corn, coconuts, sisal, citrus and tropical fruits, potatoes, sunflowers; beef, and poultry. The primary industries include food, beverages, chemicals (fertilizer, soap, and paints), aluminum, petroleum products, textiles, cement, glass, asbestos, and tobacco. Recent foreign investments have benefited export markets and have created more jobs. In 2005, Mozambique exported goods worth \$1.69 billion. Imports rang in at \$2.041 billion.

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