POWER TO THE PORTUGUESE EMPIRE FROM GENERAL ELECTRIC

On March 21, 1971, Charles Bartlett's syndicated column carried a brief announcement that General Electric U.S.A. is pressing the Export-Import Bank (an autonomous agency of the U.S. Government) to provide $55 million financing for a transformer system G.E. wants to supply to the Cabora Bassa dam and hydro-electric project in Portuguese-ruled Mozambique, in East Africa.

This is much more than a simple business deal. It involves United States support for Portuguese colonial rule in Africa, and, beyond that, support for the whole white-supremacist power bloc in Southern Africa.

The Cabora Bass Dam Project

The Portuguese have been fighting an expensive war, that annually absorbs almost half the nation's budget, for ten years, in order to hold on to their African empire. The Cabora Bassa scheme is a key-stone in current Portuguese strategy to ensure control of these African possessions and eliminate the growing strength of the liberation movement. The project is the largest single internationally financed scheme in Southern Africa. It involves the construction of a 550 foot high, 1,000 foot long wall across the Zambezi River in the northwest Tete Province of Mozambique which will create a dam 70 per cent larger than the Aswan Dam. The main purpose of the dam is to create the necessary water pressure for a hydro-electric scheme that will eventually be able to generate 4,000 megawatts. The initial stage of the hydro-electric project aims at generating 1,200 megawatts by 1974; transmission lines being constructed will carry power down to South Africa. Escom, the South African government-sponsored Electricity Supply Commission plans to take 680 megawatts by 1975, and 1,470 megawatts by 1980, and will thus absorb at least 50 per cent of the power produced. In fact, for the Portuguese, the whole scheme hinged on South African purchase of the power; Mozambique itself will not be able to use a significant proportion of the full power capacity for many years. As for South Africa, Cabora Bassa power is only a relatively insignificant 8 per cent of Escom's own generating capacity; but the power will be fed into the vast sub-continental power grid that South Africa hopes to build across the whole of Southern Africa, from Angola, Lesotho, Swaziland and Mozambique, to as far afield as Malawi and the Democratic Republic of the Congo.

Portugal's Objectives

The Cabora Bassa project is designed to open up the whole of central Mozambique. Vast irrigation projects will become possible, and the Portuguese plan to bring in a million white settlers. Concessions to develop the rich
mineral deposits have already been granted to South African and other foreign corporations.

Portugal's three main objectives in constructing this dam are thus clearly:

1. To develop the whole Tete region and create an extended prosperous white settler community, to act as a strong countervailing force to the African liberation struggle.

2. To link Mozambique's economy more closely with that of South Africa, thus ensuring even greater South African support.

3. To associate European and American economic interests with the maintenance of Portuguese control over the territory.

In fact, the Cabora Bassa project, if carried through, will have the effect of strengthening the whole white-racist Southern Bloc, including Ian Smith's Rhodesia. Rhodesia hopes to buy power from the scheme, and will benefit greatly from the transformation of the Zambezi into a navigable river right up to the Rhodesian border. The white settler regime already finds its sanctions-struck economy reaping considerable returns from supplying material and equipment to the dam builders. The U.S. support of sanctions against Rhodesia would become a mockery if U.S. corporations were allowed to aid Rhodesia via Cabora Bassa.

The Role of South Africa

The South Africans are determined also to prevent the liberation movements from winning self-determination and independence in Portuguese Africa; they recognize, quite correctly, that such a victory would weaken their position, and they have acted on their conviction by supplying military aid (troops, helicopters, advisors) to the Portuguese. There has also been increasing economic intervention. South Africans are investing heavily in Portuguese mining, agriculture and industry, tightening the bonds between the countries of the Southern Bloc alliance. Their recognition of the importance of the Cabora Bassa scheme is indicated by the fact that having for ten years encouraged the preliminary investigations of the project, they are now providing the major organizational thrust in the international consortium that has been created to carry out the scheme. Portugal had neither the economic nor the technological capacity to do the job: the first three stages of the project, building the dam, the southern power station, the transmission lines to South Africa and the necessary access roads etc. will cost $300 million. The Portuguese called for international bids, and the ZAMCO (Zambezi Consortium Hidro-electrico) group which won the contract in September, 1969 was primarily put together by South African initiative. It consisted of West German, French, South African and Swedish firms. The Swedish Company, ASEA, withdrew from the consortium in response to widespread protest in Sweden, and because the company could not obtain guarantees that the contract would not breach Swedish law relating to Rhodesia sanctions. The reorganized ZAMCO consortium, which included an Italian and a Portuguese firm, is reported to be headed by the Anglo-American Corporation of South Africa which is providing the secretariat for the whole operation.

Financing of the dam relies heavily on export credits to be granted by the Governments of the participating firms, and the South African Industrial Development Corporation (quasi-governmental) has also made a significant sum available to Portugal for certain aspects of the Cabora Bassa contract.
Opposition to Cabora Bassa - The Mozambique Liberation Front

There is tremendous opposition to the construction of the Cabora Bassa project under Portuguese rule; opposition has been spear-headed by FRELIMO, the Mozambique Liberation Front which has been fighting the battle for African freedom in the field since 1964. In an address to an ad hoc group of the United Nations Committee on Decolonization, FRELIMO characterized the project thus:

Cabora Bassa is a crime. It is a crime not only against the Mozambican people but also the entire people of southern Africa and Africa as a whole. The complicity of the western powers in the realization of the construction project of the Cabora Bassa Dam has provoked the indignation of the popular forces of the world, in particular the popular forces of these same western countries. A vast movement of solidarity is developing in the world especially envisioning the impediment of the dam construction. This movement of solidarity comes to support precisely the positions and decisions of FRELIMO and the Mozambican people.

FRELIMO has backed up its words with successful military actions. In response the South Africans are reported to have sent troops into the Tete area to back up the Portuguese military effort and the Portuguese Army Chief in Mozambique, General Kaulza de Arriga in a recent statement announced that the dam would be built and keep fully operational "whatever the cost may be and whoever may get hurt." The General said in an interview quoted by Agence France Presse that the dam had become "more than a great economic undertaking. . . It now stands as a symbol of progress, racial harmony and civilization." He said that FRELIMO tried to send saboteurs to the dam last year, but they were either killed, captured or forced to retreat by the execution of a military-civilian plan which had been worked out for the defense of the Tete area. He claimed that the use of highly mobile and strong forces was already leading to the fragmentation of the FRELIMO guerrillas, and that their "annihilation" is only a matter of time.

In fact, FRELIMO has recently expanded its front in Tete by a thrust across the Zambezi River, a considerable feat in light of the intensive Portuguese defense of the dam region and the June, 1970 general offensive launched against FRELIMO by the Portuguese military. The Portuguese periodically announce the destruction of the liberation forces, but it is apparent that these forces are in reality growing stronger. It is clear that any American participation in the Cabora Bassa project will involve open support for the Portuguese colonialists against the mass of the Mozambican people.

Opposition to Cabora Bassa - European Action

It is significant that General Electric is initiating its collaboration with the scheme in Mozambique at a time when international pressure has forced other major foreign corporations to withdraw, or seriously reconsider their position. In late 1970 the Organization of African Unity Summit Conference, following up on its earlier condemnation of the project, decided to send a delegation to the countries which support Portugal directly or through contributing towards the construction of the dam to try to persuade them to withdraw their support. President Kaunda of Zambia was elected head of that delegation which also included the Foreign Ministers of Algeria, Cameroon, Kenya and Mali. In January, 1971, the
Italian Government informed the OAU that it had withdrawn the export credit guarantee which it had previously granted to the Italian firm SAE for the financing of the construction of the high tension mains between Cabora Bassa and the Republic of South Africa. Previously, as mentioned above, the Swedish company ASEA pulled out, and there has been evidence of mounting pressure in West Germany against corporate participation in Cabora Bassa.

General Electric - A Logical Choice

General Electric's willingness to support the project in the face of such international opposition is a logical outgrowth of the long established relationships this corporation has had with the countries of Southern Africa. G.E. has a plant in South Africa which produces household appliances, switch-gears, capacitors, industrial controls and locomotives. It employs some 1,394 people at its factory including 764 non-whites who are paid at an hourly rate varying from 30¢ to $1.33. G.E. has filled many important South African Government contracts, including most recently the supply of control relay panels for the Transvaal terminal of the Cabora Bassa scheme and 75 locomotives to the government-run railway scheme. G.E. and the Export-Import Bank have also cooperated in Portuguese Africa in the past in a deal which involved the supply of General Electric locomotives for operation by the Lobito Mining Company in Angola.

Cabora Bassa and U.S. Policy

Any move by any U.S. corporation to lend support to the Cabora Bassa project must be stopped immediately. The U.S. Government has lately indicated in a number of ways a willingness to compromise with oppressive racist regimes in Southern Africa. Thus in September, 1970 Assistant Secretary of State Newsom announced that the U.S. would now allow the supply of small jet planes to South Africa. According to a Financial Times (U.K.) report, it has been privately confirmed that these aircraft will be delivered directly to the South African Government and will be made available to the South African Army. It is thus possible that the aircraft may be fitted out for "spotting" or police duties of an internal nature which seems to make nonsense of the declared U.S. support of an arms embargo in relation to South Africa. In much the same vein it has also recently been revealed that the U.S. Government is allowing the supply of 2 Boeing 707's to the Portuguese Government for use as troop carriers. This trend must not be allowed to continue with the granting by the government-controlled Export-Import Bank of credits to G.E. for Cabora Bassa.

Support of Cabora Bassa means support of Portuguese colonialism, of South African apartheid, of Rhodesian racism. Support of Cabora Bassa means support for South African economic expansion into the rest of Africa, and the suppression of the struggle of the peoples of Southern Africa. Support should go to the forces of liberation, and not to the governments and companies which oppress them.

April 5, 1971
ACOA, New York
TANZANIA

Rivers

Liberated areas

Combat areas

Cabora Bassa

Area 297,731 sq. mi.

Population 7.3 million

MOZAMBIQUE

Porto Amelia

Nacala

To Salisbury

RHODESIA

SOUTH AFRICA

To Salisbury

VAZILAND

ZAMBIA

Railways

Main Roads

Rivers

National Borders

Provincial Borders

Towns

Towns where South African troops are posted