The American Committee on Africa hailed the victory of the cancellation of possible U.S. Government aid to a Portuguese dam project in Mozambique today. The end of the proposed Export-Import Bank financing of the sale of transformers worth $55 million by General Electric Company was revealed in a letter from Eximbank President and Chairman, Mr. Henry Kearns. In the letter of May 10 Mr. Kearns stated:

"The General Electric Company has withdrawn its request for Export-Import Bank financing assistance in the proposed sale of U.S. equipment related to the Caborra Bassa Dam in Mozambique. Therefore, this case has been closed. The Export-Import Bank is not participating in the project."

The American Committee on Africa has issued a fact sheet on GE and Caborra Bassa, and called upon organizations and individuals to urge the Export-Import Bank to deny the financing request. ACOA attributed the victory to the ready response of anti-colonialist and anti-racist forces in the U.S. who opposed the sale as a form of direct support for Portuguese colonial policy in Africa. In addition a number of Congressmen, led by Henry Reuss (D.-Wisc.) and including Charles Diggs (D.-Mich.), Bella Abzug (D.-N.Y.), Ronald Dellums (D.-Cal.) and Senator Jacob Javits (R.-N.Y.), had forcefully brought the matter to the attention of the Eximbank. The governments of Sweden and Italy have also denied credit to companies for the Caborra Bassa Dam Project. Portugal and South Africa (which is largely financing the scheme) are using the huge dam to involve corporations and governments in more overt support of Portugal's colonial strategy to block the progress of the Mozambique Liberation Front (FRELIMO) in liberating Mozambique. Any U.S. alliance with this project would have been another sign of direct American aid to colonialism and racism in Southern Africa.