1. South Africa and the "Portuguese World"

Mozambique is a territory with very little autonomy in any sphere. By Portuguese law it is an "overseas province" of a "pluri-continental pluri-ethnic nation", whose capital is Lisbon, and it is in Lisbon that any kind of official link between South Africa and Mozambique, down to the most paltry matters, must be examined and approved. Thus South African involvement with its neighbour is necessarily an involvement within the wider context of the "Portuguese World", which we must consider briefly in this opening section.

With regard to Metropolitan Portugal and the scattered débris of Empire in West Africa and Asia, this does not amount to very much. Portugal's support at the U.N. does something to lessen South Africa's isolation in the world, and Portuguese possessions in West Africa provide stepping stones to Europe for South Africa's planes and ships. South African capital invests a little in Portugal (1), and there is some trade with Portugal and with São Thome and Macau (2). But, fundamentally, it is with Angola and Mozambique that South African-Portuguese relations are concerned - and with the wider problems of newly independent Africa. If Portugal is hindered by appearances of an alliance with a "racist" state, and South Africa finds the last remaining colonialist power something of an embarrassment in her overtures to Black Africa, the realities of power politics nevertheless weld Portugal and South Africa, together with Rhodesia, into a solid block in Southern Africa vis-à-vis African nationalism.

It is therefore worth looking very briefly at South African involvement in Angola, before turning to our main theme. From the economic point of view, South African influence is weak, but growing fast. Trade with South Africa has nearly doubled over the last decade as a percentage of the total value of Angola's foreign commerce (3), whilst remaining, in 1968, at about a quarter of the value of
Mozambique's trade with South Africa (4). Angola is particularly interested in South Africa as the fastest growing market for her coffee (5), which made up around 80% of her exports to South Africa, in value, in 1967 (6). South Africa values Angola as a market for her industrial goods and food products, and as one of the few areas with which she has a very favourable balance of trade. (7)

South African investment is still weak and concentrated in the mining field, particularly a long-standing involvement in DIAMANG, Angola's huge diamond monopoly, and a more recent involvement in Angolan oil production. (8) South African tourists are beginning to come to Angola, and there has been labour migration to the Rand since the late 19th century (c.17,000 in 1967). (9) But South Africa's most important links with Angola stem from her attempts to develop South West African Ovamboland as a 'Bantustan', which has led her to co-operate with Portugal in the vast scheme to develop the Cunene basin, the first stage of which will cost about £35 million, split equally between South Africa and Portugal. (10) Labour migration from Angola to South West Africa, currently only about 10,000 a year (11), is also to be intensified.

From the military point of view, it is also South African concern with the northern marches of South West Africa that has led to co-operation with Portugal. Faced with SWAPO attempts at infiltration from Zambia via the Caprivi Zipfel, aided by Jonas Savimbi's UNITA, the South African army would seem to have mounted a considerable campaign in the area and have given help to the Portuguese forces, particularly logistic help in the form of helicopters, in an attempt to stamp out guerrilla activity. (12)

Thus South African relations with Portugal over Mozambique are also conditioned by her growing involvement in Angola, particularly southern Angola; and the general situation in the whole of Southern Africa must be borne in mind as we look more closely at the problem of Mozambique.

2. South Africa and Mozambique - the historical background

Without the gold mines there would have been no South Africa; without Mozambique labour there would have been no gold mines. In a somewhat exaggerated form, this sentence expresses the essence of the historical links between South Africa and Mozambique from the end of the nineteenth century. Intimately linked with the labour question, but nearly always of secondary importance, has been the problem of communications to the Rand from the port of Lourenço Marques. Labour migration from southern Mozambique to Natal, and later to the Transvaal, is said to have begun in 1873, in Tonga traditions (13), but would seem in fact to have begun earlier, perhaps in the 1860s. (14) The agreement for the construction of a railway from Lourenço Marques to the Rand was signed in 1884, but the railway did not begin to operate till 1894 and immediately came into competition with the routes to the Cape. (15) The crisis in South African-Mozambique relations in the 1920s illustrates
the way in which these two problems interacted.

In 1922 the Union Government repudiated the 1909 Convention, largely to protect its ports against the competition from Lourenço Marques. After years of complex negotiations, the Portuguese Government issued a decree in 1927 restricting the recruitment of labour, which resulted in the next year in the signing of a new Convention (16) which, although periodically modified since, has remained as the basis of economic relations between the Union and Mozambique. In return for the guarantee of just under 50% of the Rand's exports passing through Lourenço Marques, the W.N.L.A. was allowed to recruit workers from below the 22nd parallel. (17) In 1940 the maximum number was fixed at 100,000 and the minimum number at 65,000 (18), the period of recruitment being for a maximum of 18 months with a 6-month compulsory rest period. This Convention underlines the essentially passive role of the Mozambique economy vis-à-vis its more powerful neighbour, demonstrated during the world slump of the 1930s when crisis on the Rand sent thousands of unemployed Tongas back into Mozambique and seriously diminished the traffic of Lourenço Marques. (19)

The major factor underlying the relations between South Africa and Mozambique, then, has been the steady and massive labour migrations of the Tonga and Chopi to the mines of the Witwatersrand. For the Chamber of Mines these "East Coast Boys" were not only the major source of labour (c.80,000, or three-quarters of the mining labour force, before the Boer War) (20) but also the best quality work force. They stayed longer than any other group, the supply of labour not being affected by the agricultural cycle (21), they came from a near-by and relatively densely populated area, and they were the best underground labour. (22) The comment of the Chamber of Mines in 1897 that Mozambique was "the chief and most satisfactory source of supply" of labour (23) was often to be repeated.

The causes of this labour migration have been hotly debated. (24) From the heat of the discussion it appears clear that the underlying cause has been the relative agricultural poverty of an area with low fertility sandy soils, aggravated by the disruptions caused by the Ngoni invasions and facilitated by particular social customs as to the division of labour and the family structure. But with the defeat of Gungunhana in 1895 Ngoni raiding ceased, and the prevailing "pressure factor" became the Portuguese administration. To understand the nature of this pressure it is important to seize the exact nature of Portuguese colonialism, from the 1890s through to the 1960s.

Portugal, a poor, underdeveloped country, inherited a residual colonial empire in Africa. Faced with the "Scramble", the Portuguese bourgeoisie reacted violently. "National Pride" was incarnate in the colonies, the only vestiges of Portugal's past greatness, and these had to be maintained at all costs. But as no capital was available in Portugal, itself a semi-colony of England, and as foreign capital was considered the back door into the colonies for other powers (not unreasonably, considering Germany's machinations), the only way to develop the colonies and forestall the other powers was by the intensive use of labour. As this could not be induced, it had to be forced. (25)
But in southern Mozambique the forced labour provisions of the famous 1899 labour code could only be self-defeating, for, however bad wages and work conditions were in the Witwatersrand mines, they were still better than forced labour in the Lourenço Marques docks or on European plantations. As the Portuguese labour recruiters scoured the countryside, all those who could not "prove employment" swamped the recruiting centres of the W.N.L.A. (26) In addition, clandestine labour migrants poured into the Transvaal, so that there were usually about the same number of clandestine as of legal workers. (27) And so the Portuguese authorities in Mozambique resigned themselves to a passive but fairly rewarding economic existence, catering to the various needs of the Witwatersrand which Mozambique's geographical position enabled her to fulfil.

3. South Africa and Mozambique - the 1960s

This state of affairs was rudely shattered by the 1961 revolt in Angola. Two things suddenly became clear to the Portuguese administration: that forced labour in the 1960s was an open provocation to revolt, and that the underdeveloped state of the "overseas provinces" made them militarily difficult to hold and provided only the most tenuous elements of a "collaborating class". This led to a series of major reforms, the most important of which were the new labour code of 1962 (28) and the new law governing foreign investments in 1965 (29). In addition, the State inaugurated an important series of investments in the infrastructure and the presence of a large army stimulated the economy.

Although the liberation struggle of FRELIMO did not get under way till 1964, the effects of the Angolan uprising were felt from 1961 in Mozambique, and this may account for the fact that no outbreak of similar violence occurred. The guerrillas have hardly ever crossed the Zambezi, and for the most part their action has been confined to a very small area in the far north, and yet it is the threat of guerilla war that has suddenly woken the Portuguese administration from a long period of inactivity and inaugurated a modest boom in Mozambique's economy. (30) This has to a certain extent modified the relations between South Africa and Mozambique, which gives the decade 1960-70 a certain unity and distinctiveness. We shall look mainly at the development of economic links between the two, briefly at military co-operation, and end with an analysis of the relations that exist between the Mozambique settlers and the South African whites.

4. Labour, Transport, and Tourism

In 1960 the Pronamen Committee estimated the total number of Mozambique workers in South Africa at 220,000 (legal and clandestine) and stated that they formed 22.4% of the work force in the gold mines and 45.7% of the work force in the coal mines. (31) Table A gives the numbers officially registered by the Portuguese Curadoria in the Transvaal, which includes a large number of clandestine migrants whom
the Portuguese try to get to register so as not to lose all control over them and to get them to pay some tax. It is worth noting that in

Table A

MOZAMBIQUE LABOUR IN TRANSVAAL

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Total</td>
<td>161,708</td>
<td>162,691</td>
<td>146,526</td>
<td>148,697</td>
<td>142,934</td>
</tr>
<tr>
<td>Gold mines</td>
<td>88,644</td>
<td>94,633</td>
<td>91,264</td>
<td>90,555</td>
<td></td>
</tr>
<tr>
<td>Coal mines</td>
<td>14,483</td>
<td>14,671</td>
<td>14,618</td>
<td>15,505</td>
<td></td>
</tr>
</tbody>
</table>

Source: Anuario Estatistico, Provincia de Mozambique, 1965-8
n.b.: These figures include legal migrants plus those whom the "Curadoria" has discovered. They do not include other clandestine migrants, either in the Transvaal or in other Provinces.

1954 there were 173,433 workers registered (month?) (32), which, with the figures given in Table A, suggests that there has been a gradual but steady drop in the total number employed in South Africa, owing possibly to the new labour code of 1962. (33) But Table B would seem to suggest that the amount of foreign currency derived from this activity is increasing rapidly, the reason for which is not entirely clear although rising salaries and an increase of migration to Rhodesia may provide part of the answer.

Table B

MOZAMBIQUE: BALANCE OF PAYMENTS - SELECTED ITEMS (in 1,000 escudos)

<table>
<thead>
<tr>
<th></th>
<th>1965</th>
<th>1966</th>
<th>1967</th>
<th>1968</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance of Trade:</td>
<td>-1,242,306</td>
<td>-1,776,835</td>
<td>-1,954,075</td>
<td>-1,900,484</td>
</tr>
<tr>
<td>Salaries:</td>
<td>+ 125,088</td>
<td>+ 197,966</td>
<td>+ 255,186</td>
<td>+ 333,383</td>
</tr>
<tr>
<td>Transport:</td>
<td>+1,113,639</td>
<td>+1,627,089</td>
<td>+1,689,812</td>
<td>+1,977,631</td>
</tr>
<tr>
<td>Tourism:</td>
<td>+ 13,608</td>
<td>+ 75,037</td>
<td>+ 79,451</td>
<td>+ 98,583</td>
</tr>
</tbody>
</table>

Source: as above

But, if we look at Table B again, what is particularly striking is the importance to Mozambique's economy of her role as a transporter of goods from the coast to the inland countries. In 1968 the currency derived from this activity more than covered her total trade deficit. Part of this traffic, of course, comes from Malawi and Rhodesia and even further inland, but the main port remains by far Lourenço Marques, although with the completion of the line into Swaziland, and the new line to Rhodesia (coupled with the effects of the Beira blockade), all of Lourenço Marques' traffic no longer comes from the Rand. However, perhaps half of this lucrative source of foreign
currency still comes from South Africa, and it is worth stressing again that this is to a large extent an artificial situation, a concession gained in exchange for labour recruiting privileges. In 1968 the Republic paid a substantial sum to the Portuguese Government in compensation for the fact that the prescribed quota had not been observed (4,382,000 Rand). (34)

The development of another form of transport, roads, is closely linked to a third source of invisible earnings, tourism. From Table B one can see that this is still a modest but growing source of income. Many of these tourists are white Rhodesians, but, with the completion of the tarmac road from Lourenço Marques to the Gorongosa National Park along the hundreds of miles of Mozambique beaches, it is hoped that the South African element, already important in the south, will venture farther north. From about 60,000 at the beginning of the decade (35), the number of tourists had grown to around 250,000 in 1969 (36), and with the setting up of the touristic circuit South Africa/Mozambique/Madagascar the numbers are expected to grow still more. (37)

Mozambique's economy is then still a passive economy, financing its large trade deficit by exploiting its natural geographical advantages and its reservoir of unemployed labour to cater to the needs of its more prosperous and dynamic white neighbours in Rhodesia and South Africa. But over the last ten years it has begun to show signs of evolving a little from this purely passive role, and has begun to build up its own production and trade. The role of South Africa as a market for Mozambique's products and as a source of new investments will thus be examined next.

5. Trade and South African Investment

Mozambique's trade with South Africa from 1963-8 is set out in Table C, with a break-down by principal items of trade for 1967 in Table D. The first thing to note is that in 1968 Mozambique accounted

<table>
<thead>
<tr>
<th>Table C</th>
</tr>
</thead>
<tbody>
<tr>
<td>MOZAMBIQUE: TRADE WITH SOUTH AFRICA (in 1,000 escudos)</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>1963:</td>
</tr>
<tr>
<td>1965:</td>
</tr>
<tr>
<td>1966:</td>
</tr>
<tr>
<td>1967:</td>
</tr>
<tr>
<td>1968:</td>
</tr>
</tbody>
</table>

for only a little over 10% of South Africa's total trade with Africa, or 1% of South Africa's total world trade. (38) From the Mozambique viewpoint, however, trade with South Africa is an important part of her total trade, South Africa having supplemented the U.K. as her second partner, after Portugal and the escudo zone. (39)

The second point worth making is to emphasize the enormous deficit in Mozambique's trade with South Africa, which would be even more remarkable if it were not for her petroleum exports from the refinery at Lourenço Marques (see end of Table D). This is, of course, more than made up by the invisible earnings that Mozambique receives from South Africa, as we saw in the last section.

Table D

<table>
<thead>
<tr>
<th>TRADE WITH SOUTH AFRICA - PRINCIPAL ITEMS, 1967 (in 1,000 escudos)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Imports:</strong></td>
</tr>
<tr>
<td>Fresh Fish</td>
</tr>
<tr>
<td>Dairy Products</td>
</tr>
<tr>
<td>Fruit &amp; Vegetables</td>
</tr>
<tr>
<td>Vegetable Oils</td>
</tr>
<tr>
<td>Petroleum Products</td>
</tr>
<tr>
<td>Medicines/Insecticides/Perfume</td>
</tr>
<tr>
<td>Semi-worked Metals</td>
</tr>
<tr>
<td>Spare parts</td>
</tr>
<tr>
<td>Fresh Fish</td>
</tr>
<tr>
<td>Dairy Products</td>
</tr>
<tr>
<td>Fruit &amp; Vegetables</td>
</tr>
<tr>
<td>Vegetable Oils</td>
</tr>
<tr>
<td>Petroleum Products</td>
</tr>
<tr>
<td>Medicines/Insecticides/Perfume</td>
</tr>
<tr>
<td>Semi-worked Metals</td>
</tr>
<tr>
<td>Vehicles (Cars, Tractors, Lorries)</td>
</tr>
<tr>
<td>Spare parts</td>
</tr>
<tr>
<td>Fruit (Bananas &amp; Cashew Nuts)</td>
</tr>
<tr>
<td>Sisal</td>
</tr>
<tr>
<td>Wood (Logs &amp; Sawn Wood)</td>
</tr>
<tr>
<td>Vegetable Oils</td>
</tr>
<tr>
<td>Petroleum Products</td>
</tr>
</tbody>
</table>


Thirdly, one can see very clearly from Table D that, with the exception of Mozambique's refined oil exports, the relationship is very much one of developed to underdeveloped country, South Africa exporting mainly manufactured or semi-manufactured goods, and importing untreated or scarcely treated primary goods.

If it is possible to obtain figures concerning the nature and extent of Mozambique-South African trade, from Portuguese sources at any rate, the same cannot be said for investment figures. Here one is forced to be much more fragmentary and imprecise, the task being made appreciably more difficult by the considerable interlocking of British and South African companies. (40) The U.N. "Committee of 24", which has made noteworthy efforts to unravel this complex tangle, suggests
that by the end of the decade South Africa had become the principal power investing in Mozambique. (41) Be that as it may, it is certain that South African investments are of great and growing importance in Mozambique and that they have been quick to seize the opportunities provided by the new investment laws of 1965.

A second general point to be noted is the predominance of Anglo-American, which has a finger in practically every important pie in Mozambique. Explosives (42), fisheries (43), cashew nuts (44), and even petroleum prospection (45), are all activities in which Anglo-American has invested recently in Mozambique. South African capital is also involved in hotels (46), fertilizer plants (47), sugar refining (48), and, of course, mining and prospection (49).

From the point of view of Mozambique's agricultural production, it is probably South African involvement in cashew nuts, of which Mozambique is the world's largest producer, which is most important, for Anglo-American dominates the "Industria de Caju Mocitas", which decorticates the nuts and has recently asked for a concession to establish plantations in the North. (50) Cashew nuts formed nearly 20% of Mozambique's exports in 1966, the largest single item. (51)

As to the mining concessions, these are still largely at the stage of prospection, the most important concession being that granted to the "Johannesburg Consolidated Investments Company Ltd." in 1969 of 26,000 square kilometers in the Zambezi valley around Cabora-Bassa, on very easy terms. (52) In the petroleum field, a Franco-Germano-South African consortium, in which Anglo-American has a 50% part, has been awarded three concession blocks along the coast. (53)

Lastly, one must remember South African state participation in certain infrastructure works, such as the extension of the Nacala railway line into Malawi (54) and co-operation over the harnessing of the River Maputo (or Pongola) in the extreme south. (55) But the one scheme which towers over all the rest, in which private and state capital are both involved, is the Cabora-Bassa dam, to which we shall dedicate the last section dealing with the economic links between South Africa and Mozambique.

6. Cabora-Bassa

The dam at Cabora-Bassa is a part of a much wider scheme, the "General Plan for the development and colonization of the Zambezi valley", which includes the building of three smaller dams downstream which will make the Zambezi navigable from the Rhodesian frontier to the sea, and massive agricultural, mining and industrial projects. (56) But all these grandiose schemes are for an unfixed date in the future and have found no financial backing. What will concern us here is that part of the scheme which is in the course of realization: that is, the building of the Cabora-Bassa dam and the south bank power station, the construction of transmission lines to South Africa, and a few modest agricultural projects.
The final capacity of the dam will be 4,000 MW, which would make it the fifth largest in the world for electric power production, but for the moment only the south bank power station is due for completion (in 1979), with a total capacity of 2,000 MW (57), some power being available from 1974. ESCom has agreed to buy the vast majority of the power supplied, taking 1,700 MW minimum by 1980, and 1,400 kilometres of power lines are being built to connect the dam with the South African power station "Apollo", near Pretoria. (58) In spite of the remarkable cheapness of the production of electricity at Cabora-Bassa, this long transmission line will make the electricity available in South Africa at a price the same or slightly higher than that supplied by her own thermal stations. (59)

If South Africa will form the market for Cabora-Bassa's power, South African private interests are also dominant in the ZAMCO consortium which is building the dam, although the Caetano government would have preferred an American or European consortium, and the issue was in doubt till the final signature of the convention in September 1969. Anglo-American dominates the consortium, although its exact financial participation is not known (60), and since 1969 various shifts in the composition of the consortium have strengthened the South African share (61), to the point that it is estimated that South African Companies account for about two-thirds of the sub-contracts. (62)

The South African government is involved in the financing of the building of the dam to the tune of 20 million Rand (63), but the role of South African private banks is not known. (64) From every point of view, then, South Africa is heavily involved in the construction of Cabora-Bassa, which represents by far the largest single South African investment in Mozambique, coming at the end of a decade which has seen the progressive extension of South African influence in Mozambique's economy beyond the traditional labour-transport syndrome, and has made South Africa rather than the U.K. the principal foreign economic force in the territory. It is this very economic involvement which has led to a wider military co-operation with Portugal, symbolized again by the great dam at Cabora-Bassa which FRELIMO has sworn to destroy.

7. Military Co-operation

This military co-operation, which includes Rhodesia, seems at the moment to be limited to co-ordination. Regular meetings are held by the chiefs of staff to discuss the evolution of guerilla warfare throughout southern Africa (65), and some limited logistic help - mainly helicopter transport - would seem to be given by South Africa to the Portuguese army (66). But the only instance of direct South African interference in Mozambique would seem to be the presence of some South African troops in the Tete district, close to Cabora-Bassa. (67) And Mondlane himself, before his death, said that these had not actually been engaged against FRELIMO. (68)

The reason for the presence of these troops is not entirely clear. From the military point of view, Portugal has the situation weil
in hand, and was never really seriously threatened by FRELIMO, even at the height of the latter's power. The protection of Cabora-Bassa would not seem to be the reason, as they are strung out along the south bank of the Zambezi (69) in such a way that they would find it very difficult to intercept a force coming from Zambia. One suggestion is that they are there for anti-guerilla "practice" (70), but if they have never engaged FRELIMO this would seem doubtful. Perhaps they are there rather to protect the right flank of the Rhodesian and South African forces operating in north-east Rhodesia; a small group of PAC guerillas with COREMO guides was intercepted while making its way through this area in 1968. (71) Be this as it may, it is important to stress the very small-scale nature of actual South African military interference in Mozambique, which would seem to be largely the result of FRELIMO's incapacity to touch more than the relatively unimportant parts of northern Mozambique. What South Africa's reaction to a major guerilla advance into southern Mozambique would be can only be left to conjecture.

8. Mozambique Settlers and South African Whites

The increase in the white population of Mozambique can be seen in Table E. It is currently estimated at 150,000 (72) (although the presence of a large metropolitan army inflates the figures somewhat), concentrated very largely in the extreme south, in and around Lourenço Marques, and to a lesser extent in Beira and between Beira and the Rhodesian frontier. Unlike the Angolan whites, there are very few peasants among them, they are almost completely literate (73), and tend to come from a more aristocratic background with strong royalist elements. (74) This has facilitated the good relations with their white neighbours, which tourism, transport, communications and the practice of sending their children to English language universities in South Africa have all encouraged. English has long been almost as widely spoken as Portuguese, particularly in Lourenço Marques and Beira. (75)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>White</th>
<th>Mestico</th>
<th>Asian</th>
<th>African</th>
</tr>
</thead>
<tbody>
<tr>
<td>1928</td>
<td>3,935,550</td>
<td>17,800</td>
<td>8,350</td>
<td>9,400</td>
<td>3,900,000</td>
</tr>
<tr>
<td>1950</td>
<td>5,736,982</td>
<td>48,813</td>
<td>25,165</td>
<td>14,288</td>
<td>5,644,716</td>
</tr>
<tr>
<td>1960</td>
<td>6,578,100</td>
<td>97,300</td>
<td>31,500</td>
<td>19,300</td>
<td>6,578,100</td>
</tr>
</tbody>
</table>

1960 (official estimate) - Abshire & Samuels, Chap. 10.

With this long and important tradition of contact and friendship with their white neighbours has come the natural adoption of the same racist attitudes, on which all visitors comment (76) and which even the Portuguese government tacitly admits by broadcasting anti-racist
propaganda over the Lourenço Marques radio. (77)

With the war against FRELIMO in full swing, these white settlers are for the moment loyal to Lisbon, but they are vigilant against any concessions which the new Caetano regime might be tempted to make. The leader of the autonomist movement, Jorge Jardim, is a contradictory figure. Fervent monarchist and great admirer of the late Antonio Salazar, he is at the same time a personal friend of Ian Smith and a proponent of a Southern African Federation which would include South Africa, Rhodesia and Mozambique. (78)

The strength of autonomist feeling is difficult to judge, but it is important to note that, should Portugal’s will to remain in Africa weaken, the Mozambique settlers would be prepared to declare U.D.I. and turn to their white neighbours for help, which in the last analysis means South Africa.

9. Conclusion

From this brief sketch of South African involvement in Mozambique over the last ten years, two aspects ought perhaps to emerge as particularly worthy of note. South Africa still relies to a very large extent on Mozambique labour for its mines, although this situation is slowly changing, and it is this labour recruiting which, by the quota system on the Lourenço Marques railway, provides Mozambique with one of its most important sources of income. Secondly, the capacity of the Portuguese to maintain themselves in Mozambique is increasingly becoming the key to the whole evolution of the situation in southern Africa, and this is increasingly drawing South Africa into Mozambique, economically for the moment but with the possibility of important military commitments in the future. For if FRELIMO controlled Mozambique, then Malawi, Rhodesia and even Swaziland could probably slip out of South Africa’s sphere of influence and South Africa would have a military threat on its frontiers, a mere 350 miles away from Pretoria.
Notes

(1) Portugal Informations, 15 May 1969.


(5) Portugal Informations, 1st August 1969.


(7) Ibid.


(11) Valente, p. 135.


(15) Ferreira, op. cit., p. 82.

(16) Ibid., p. 85.


(18) Ferreira, op. cit., p. 88.

(19) Ibid., p. 87.


(21) Ibid.

(22) Ferreira, op. cit., pp. 64-5.

(23) Ibid.


(26) M. Harris, "Labour Emigration ...", op. cit., p. 60.

(27) Ferreira, "O Movimento Migratorio ...", op. cit., p. 57.


(29) "Guide de l'Economie Portugalaise", Entrepris, No. 655, 30th March 1968, for details of new regulations governing foreign investment and the increases in this latter.


(32) Harris, op. cit., p. 51.


(36) Abshire & Samuels, op. cit., chap. 1, p. 16.

(37) Portugal Informations, 18th November 1970.

(38) Based on a comparison of figures given in Table C with those in Republic of South Africa - Foreign Trade Statistics, 1969.

(39) Financial Times, 18th August 1969.


(42) Ibid.


(44) Ibid.


(51) Abshire & Samuels, op. cit., chap. 11, p. 249.


(58) Ibid.


(61) The Economist, 2.1.1971.


(64) Ibid.

(65) J. Ervedosa (ex-officer in the Portuguese air force), quoted in note 69 below.

(66) Interview of Mondlane, printed in Tricontinental, 3, 1969.


(68) Interview of Mondlane, op. cit.


(71) P. Whitaker, op. cit.

(72) H. Douchin, op. cit.
(74) H. Douchin, *op. cit.*
(76) See, for example, Ehnmark & Wåstberg, *op. cit.*, pp. 149-51.