



Espresso

*The second congress of the MPLA*

## Angola: Tough Road Ahead

**BY STEVE GODFREY**

*The governing MPLA-PT party faces formidable new challenges in the coming year due to renewed US support to the rebel movement UNITA and a catastrophic fall in oil revenues – the mainstay of the economy. At the same time there have been important political changes in Angola. Steve Godfrey of Inter Pares, recently returned from Angola, reports.*

The Second Congress of the MPLA held in Luanda in December saw major changes in the structure and leadership of party and government. The most dramatic changes were the departure from the politburo of party secretary Lucio Lara and other seemingly permanent elements in the leadership of the Angolan revolution such as Ludy Kissassunga, Evaristo Kimba and Joao Neto Xieto. In the ensuing three months President dos San-

tos has carried out a reorganization of the party and government, and made substantial changes in ministerial and party leadership.

More importantly, the day-to-day management of the economy has moved more firmly into ministerial hands with the establishment of three new Ministers of State – for Production, Economic and Social Affairs, and State Inspection. Two new members of the politburo, Maria Mambo Cafe and Loy Van Dunem head the first two of these. The streamlining of the state structures in the economic sphere by the appointment of three “superministers” closely associated with the President will improve coordination between the economy and Defence and Security, External Relations and Justice (which already report directly to the President). It creates a small group of ministers –

an inner cabinet – around the President able to take a more effective control in executive management of the affairs of state.

In announcing the change dos Santos stated that the “new working style” of ministers of state would overcome “a lack of mechanisms to ensure coordination of the execution and control of decisions.”

Whilst debate at the Congress was muted on a number of substantive issues such as economic liberalization and the black market, a number of important criticisms prevailed. Among these was the need to make party organization more dynamic and geared to popular needs. In his closing address to the Congress, President dos Santos stated that “more effort must be made to improve the Party’s working style and methods, combatting the tendency to bureaucratize –

central and intermediate structures, which has negative effects on the base organisations." Significantly, dos Santos himself has taken over the party responsibility for organisation, replacing Lucio Lara. In addition two new departments – for agrarian policy and for youth and mass organisations – have been created to build greater involvement at the grassroots. Other changes in the party secretariat are substantial: six departments dissolved or merged and some nine department heads removed from their posts. As a result the majority of the thirteen department heads are new. Ministerial changes are lighter: four new ministers were appointed up to the end of February with another post, that of State Security, vacant. Most notable among the ministerial changes was the removal of planning minister, Lopo de Nascimento, who becomes Commissioner of Huila.

There is no agreement by outside observers of the exact significance of these changes. Even among Angolans not fully in agreement with

the changes there is recognition that an infusion of new blood was needed to provide a fresh impetus in coming to grips with the enormous problems of poor economic performance, and the coordination of national efforts. As a result, the role of the party will be more strategic with the government able – because its key leaders more effectively dominate the party hierarchy – to get on with the job of governing. Politically, the removal from the centre of power of convinced Marxists such as Lucio Lara, and former foreign minister Paulo Jorge, is interpreted by some as a shift towards more pragmatic policies. Other commentators sensitive to issues of racial balance emphasize that their departure represents primarily the further "africanization" of the leadership.

In any case the real effects may be less dramatic than ideological interpretations suggest. External pressures mean that Angola has little room for manoeuvre in the policy arena, and within the party individual positions on key policy issues are

overlapping and varied rather than in clear "blocks." The new leadership will miss the experience of some of its former members. It remains to be seen how far greater likemindedness and a fresh approach will succeed in compensating for this.

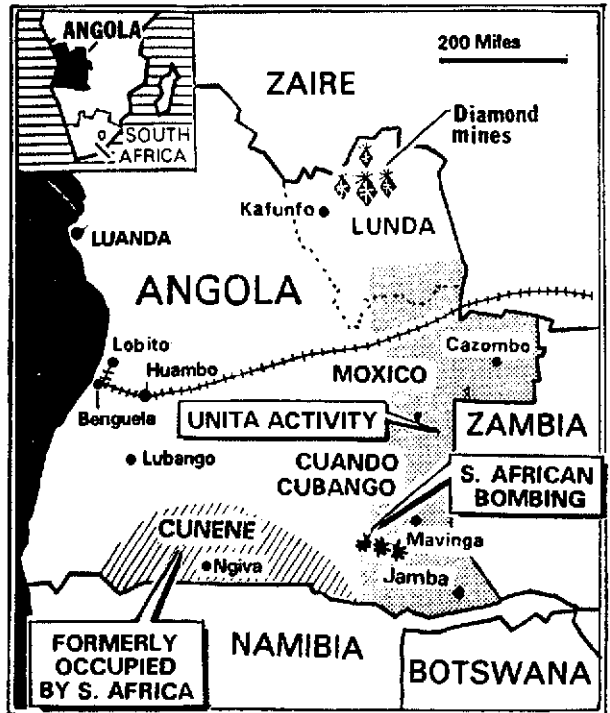
### Economic Policy

Discussion on key problems in the economy was muted at the Congress: ideological skirmishes were avoided. Nevertheless, the dominant trend in party thinking is towards greater decentralization and democratization of economic control. The desperate need to improve food production and reconstruct the rural economies is evident to all. But efforts to develop peasant production in the north and the "experiment" with more decentralized economic planning in the southwest have suffered from poor implementation capacity and reticence from some sectors of the party – quite apart from the security and logistical problems.

In the international field Angola is likely to continue to expand its



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economic relations with western nations. The accession to the Lomé Convention - which brings some \$90 million in aid over five years from the EEC - will boost links with Europe. However, the political impact of this opening of economic relations with the West can be overestimated - Angola, due to the structure of its main exports (oil, diamonds and coffee) has always required close economic ties with capitalist countries, and the current drive is an effort to diversify economic links with such countries as Spain, Brazil, Canada and the Nordic States. In particular, these moves do not, in themselves, represent a political shift away from the socialist block. The Soviet Union itself clearly recognizes the need of many socialist countries, eg., Nicaragua and Mozambique, for western technology and investment.

However, the drive for more pluralistic economic relations is part of an attempt to improve the quality of foreign, particularly technical, assistance. As a result, the foreign labour force will be reduced, together with its cost - some \$180 million in 1983. The poor quality of technical assistance from the socialist countries is a frequent complaint heard in the country.

Overshadowing the economic plan affirmed by the People's Assembly in January is a fall in oil prices - which will devastate the Angolan economy. Oil revenues make up some 85% of Angola's Gross Domestic Product, and the price per

barrel has halved in the last three months from \$25. As a result Angola's national product has roughly halved and in March the Politburo announced a crash austerity program - cutting foreign travel, overseas diplomatic missions and external telex and telephone costs; redefining investment priorities towards industrial rehabilitation; and promoting foreign exchange control for foreign companies.

Since defence is the number one priority of the economy and cannot be cut, cuts in living standards in the urban economies are likely to be sharp - food and other consumer imports will probably be hard hit. These consequences will be unpopular and it could be argued will pose a more formidable political challenge to the party than even the UNITA problem.

#### Foreign and Defence Policy

Whilst economic policy is in flux, foreign and defence policies are likely to remain stable. Cuban and socialist block military assistance will remain crucial; but the dos Santos government will continue to seek negotiated solutions with the U.S. and South Africa, and continue to deal with economic relations on a pragmatic case-by-case basis. The limits of Angolan flexibility stop at U.S. requests to negotiate with Savimbi, or place the security of the country in jeopardy. Such a policy of dialogue has its critics, who argue that the results so far have been unimpressive. But the policy does represent a

widespread feeling in the nation that Angola should as far as possible follow a *non-aligned policy* in foreign affairs. [The Party Congress, with only a low-key resolution recognizing socialist country support, emphasized that Angola does not wish to increase the heavy dependence on these countries which the circumstance of South African destabilization has clearly required.]

In the past twelve months Angola has sought to increase its contacts with Canada. Following the first ministerial visit to Canada since Independence by Loy Van Dunem and Trade Minister Ismael Martins, political relations have warmed considerably. In January, the Conservative leader of the Senate, Duff Roblin went so far as to publicly disagree with U.S. proposal to back Savimbi. "We're ... having a problem," he said, "because our policy does not coincide with that of the U.S."

Angola, with its high credit rating, offers good commercial potential for Canada in such sectors as oil, gas, transport and communications. In January, the Government affirmed \$30 million cover for Angola by the Export Credit Development Corporation, and commercial exchanges are planned during 1986. In addition, the Canadian Coordinator for the African Emergency, David McDonald, visited Angola in February and added his voice to the need for Canadian emergency and development assistance to Angola.

But whilst CIDA will support some emergency aid and assistance through NGOs, the lack of any bilateral aid program is likely to be a block in developing relations. Although, like Mozambique, Angola is eligible to receive funds for regional SADCC projects, it is only a Category III country in its own right and is not eligible for bilateral aid. Despite a strong argument on humanitarian, development and commercial grounds, it is unlikely that Ottawa will upgrade Angola without further public pressure.