The Mozambican PRSP Initiative: Moorings, usage and future

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ABBREVIATIONS

AfDB  African Development Bank
FDI   Foreign Direct Investment
GoM  Government of Mozambique
GPA  General Peace Accord
GPS  General Budget Support
HIPC Highly Indebted Poor Countries
IFI  International Financial Institutions
IMF  International Monetary Fund
MDG  Millennium Development Goals
MF   Ministry of Finance
MoU  Memorandum of Understanding
MPD  Ministry of Planning and Development
MPF  Ministry for Planning and Finance
PAF  Performance Assessment Framework
PAP  Programme Aid Partnership
PARPA Plano de Ação para a Redução da Pobreza Absoluta
PeDD Strategic District Plans
PES  Economic and Social Plan
POs  Poverty Observatories
PPI  Prospective Indicative Plan
PRES Economic and Social Rehabilitation Program
PRSP Poverty Reduction Strategy Paper
SAP  Structural Adjustment Programme
ABSTRACT

This paper analyses the seemingly uncontroversial public life of the PRSP approach in Mozambique and suggests that it embodies much of the Frelimo government’s thinking about development since independence, though obviously ‘packaged’ to fit international donor discourses as they continually change. The PRSP is therefore not an outright ‘imposition’ on the Frelimo government or necessarily a ‘challenge’ to its sovereignty, as it is often argued. In general we argue that the PRSP became over time a broad ‘consensus document’ because it came to potentially incorporate ‘all’ stakeholders needs and wishes. We argue that after the political turbulence of the 1980s and 1990s with privatisation and structural adjustments, the PRSP allowed for different elite groups to find common ground with regard to ideological and party-preserving concerns, as social and market-economic trade-offs could now be legitimately accommodated.
I. INTRODUCTION

Since the General Peace Accord (GPA)\(^1\) in 1992 ending the civil war and the first democratic elections in 1994, Mozambique has experienced a peaceful transition toward democracy underpinned by successive rounds of local and national elections that have been, if not totally free, then at least sufficiently free to be accepted by the international community. This, combined with sustained economic growth\(^2\); a substantial decline in people living below the poverty line; relatively high levels of Foreign Direct Investment (FDI) and very high and continued levels of foreign donor support has made Mozambique “a success story” for the international donor community in Africa, where few such stories seem available (Renzio and Hanlon 2006: 3).

The Mozambican ‘success story’ is based on an exceptionally good economic performance. The World Bank estimates that the mean annual GDP growth rate from 1995 has been 8.6 percent (World Bank 2005) catering for a doubling of the GDP per capita from 1994 to 2004 (Virtanen and Ehrenpreis 2007).\(^3\) The real GDP growth rate of 8.5 percent in 2006, for example, exceeded the 8 percent target of the Economic and Social Plan (GoM 2007: 14). Growth has been driven partly by three sources: first very high and increasing levels of foreign aid, which still today account for over 50 percent of the state budget (see Clément 2008), second a peace/war dividend, and thirdly FDI that has been attracted primarily to mega-projects in the energy, mineral and gas sectors (Bartholomew 2008: 12; Clément and Peiris 2008).

Mega-projects have functioned as showcases for successive Mozambican governments after the first democratic election in 1994, exposing Mozambique to potential investors. Mega-projects have been considered important for at least two reasons. Firstly, mega-project foreign investments have aimed at countering the negative image and sentiments emerging from the country’s post-independence, socialist, centralist economic policies and state owner-/leadership of the productive apparatus, which were seen as investor-hostile. Secondly, the legacy of war and destruction left limited state capacity to secure and protect large-scale capital investments. The successful attraction and protection of large-scale foreign investments have been considered the litmus tests showing to potential investors the Mozambican government’s readiness to act in an open liberal economy. Moreover, mega-projects have been promoted as catalysts for other sectors by creating investment in the much-needed rehabilitation and construction of infrastructure.

However, while mega-projects account for most of the overall growth and specific gains in industrial manufacturing and export, especially those secured through the Mozal aluminium smelter, it has been growth with little sustained formal employment creation, tax revenues or broad-based poverty reduction (see the critiques of Beaumont 2004; Bucuane and Mulder 2007; Tvedten et al. 2006; 2009).

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\(^1\) The GPA ended the prolonged civil war that ravaged the country from 1977, two years after independence. Resistência Nacional Moçambicana (Renamo) has been the governing Frente de Libertação de Moçambique’s (Frelimo) main political foe since the late 1970s. There is ample evidence that Renamo was set up and supported by the Rhodesian government and after 1980 had the backing of the South African apartheid government (Vines 1991). But Renamo also garnered genuine support when it keyed into a whole range of local grievances after 1977 related to the Frelimo government (see Schafer 2001).

\(^2\) Nonetheless, starting from a very low level, recent growth has returned to only pre-independence growth levels (Sousa and Sulemane 2007).

\(^3\) The exception to these trends has been 2000, when flooding made all indicators fall, and the present economic crisis, where growth is expected to fall to about 4.5 percent per year.
In general, the structure of the Mozambican economy – that during the 1990s was dominated by agriculture and service provision to an even higher degree than in other southern African countries – has changed with the FDI patterns (mainly aluminium, energy and tourism). For example, the agricultural share of BNI declined from 40 percent in 1995 to 25 percent in 2008 whereas the industrial share – mainly catered for by the operation of the Mozal smelter in Matola outside Maputo – rose from 15 percent in 1995 to around 33 percent of BNI in 2008.

More worrying has been the fact that while agriculture accounts for the livelihood of up to 70 percent of the population, the rebound of the sector does not go much beyond the one-off ‘war to peace dividend’ with little sustained growth in agro-business beyond a few sub-sectors. (The most notable of these is the sugar industry, which by 2004 accounted for around 9 percent of the total value of agriculture production (LMC International 2006: 1)). It is generally acknowledged that while overall annual agricultural growth has averaged 6 percent, increases in the food and cash crop sub-sectors of the agriculture sector grew primarily through area expansion and an increase in the labour force, with a large increase in cultivated area in the central region. The links between the different types of growth – mega-project instigated growth and broad-based agricultural growth starting with one-off war-to-peace rebound – has not been clearly thought out for Mozambique. As the Economist Intelligence Unit assessed the situation, there are few government incentives for changing this situation at the moment, as: “the availability of foreign investments for mega-projects […] has created easy growth options that diminish the incentive for government to undertake the more challenging reforms that would remove structural obstacles to broad-based growth” (Country Report: Mozambique, October 2009: 5).

If FDI has been directed toward mega-projects, donor aid after the GPA was first directed towards rehabilitating the country and building up state capacity, and since the late 1990s has been increasingly directed towards funding government plans and strategies for Combate de Pobreza Absoluta (Fighting Absolute Poverty). Donor aid has been fairly consistent over the past years at around 1.2 to 1.4 billion USD per year, making Mozambique one of the most donor-dependent countries in Africa (see Fischer et al. 2008; Clément 2008; Renzio and Hanlon 2009). Precisely how donor aid has impacted on extremely high levels of poverty is not clear, but from 1996 when the first national household surveys measured poverty and inequality, until 2003 when the second survey was conducted, the poverty headcount figure fell impressively from 69 percent to 54 percent (see MPF et al. 2004). This repre-
sents a reduction in poverty of around 15.3 percent. The goal of the first Plano de Ação para a Redução da Pobreza Absoluta (the name of the PRSP, PARPA I in common parlance) was to reduce poverty from 69.4 to 60 percent by 2005, which means that this goal was surpassed by 5 percent – and two years earlier than expected (GoM, 2006). In addition, the poverty gap (referring to people below the poverty line in terms of welfare change) was reduced from 29.3 percent to 20.5 percent during the period. These results suggest that the number of people living below the poverty line was reduced, and that the consumption of those below the poverty line increased. While this is impressive in its own right, Mozambique is still one of the world’s poorest countries, with more than half of the population living in absolute poverty. It is therefore not without foundation that ‘Fighting Absolute Poverty’ has been the main slogan driving government policies for more than a decade, backed up strongly by the international donor community.

Since the elaboration of the first poverty reduction strategy paper (PARPA I) in 2000, the rallying cry of ‘Fight Absolute Poverty’ has largely been taken for granted. The Mozambican PARPA has slotted relatively uncontroversially into the public discourses of both the Frelimo government and the donor community. All core ministries refer to the PARPA when sector plans, projects and programmes are being argued, launched and evaluated and both civil society organisations and the private business sector use the PARPA or poverty reduction impact when requesting support from the government or legitimising donor pleas. This raises several questions: How do we understand the PARPA in Mozambique (its presence in the Mozambican state bureaucracy for example)? Is the PARPA just a document imposed by donors, or does it have a local constituency?

This paper analyses the seemingly uncontroversial public life of the PARPA approach and suggests that the PARPA embodies much of the Frelimo government’s thinking about development since independence, though obviously ‘packaged’ to fit international donor discourses as they continually change. The PARPA is therefore not an outright ‘imposition’ on the Frelimo government or necessarily a ‘challenge’ to its sovereignty, as it is often argued (Macamo 2003; Renzio and Hanlon 2009; Hanlon and Smart 2008; for a recent review of the ownership problematic see Castel-Branco 2008). Instead it should, we suggest, be regarded as one of several tools to gain control over the planning and strategic direction that legitimises the dominant post-independent and post-civil war Frelimo state project. While the PARPA has changed the discourse on poverty and growth over time, it has also de facto helped to strengthen the monitoring of state interventions and the relationship between the Frelimo government and the international donor community.

The seemingly uncontroversial public life of the PARPA in Mozambique has partly been countered by academic critiques. The second section of the paper briefly outlines the academic critiques relevant for the arguments pursued in this paper before concluding with a discussion of the Programme Aid Partnership (PAP) model and its importance. The PAP secures General Budget Support (GPS) for the PARPA and ties government and donors into planning and monitoring, and although ‘burdensome’ it has, we suggest,

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7 A recent example is Frelimo’s 2009 general election slogan “‘Unidos na Luta Contra a Pobreza. Frelimo a Força da Mudança’” (see for example Notícias September 10, 2009: 9). Frelimo banners, posters and speeches by politicians also have ‘fight against poverty’ as their central and consistent theme.
given centrally placed state and government officials the tools to assert their authority vis-à-vis provincial and district authorities in a legitimate manner, even though it is criticised by the same officials. The third section of this paper traces aspects of the Frelimo government’s broader history of service delivery and economic development in Mozambique in order to give a context for understanding the PARPA’s emergence and presence. The fourth section accounts for the emergence of the PARPA approach, including the Highly Indebted Poor Countries (HIPC) debt relief link. The fifth section explores how and why the PARPA approach became so important for the different sectors that, we suggest, they tried to become part of it and thereby formed part of producing the taken-for-granted and uncontroversial public life of the PARPA. This section also suggests that the way consultation was carried out between government departments played an important role in making the PARPA central to the way each sector functioned.

In general we argue that the PARPA became a broad ‘consensus document’ with the shift in content from PARPA I to II, because it came to potentially incorporate ‘all’ stakeholders. More specifically, after the political turbulence of the 1980s and 1990s, the PARPA allowed for different elite groups to find common ground with regard to ideological and party-preserving concerns, as social and market-economic trade-offs could now be legitimately accommodated. In other words the PARPA, as a nominally ‘strategic document’, lends itself to becoming what a senior state official called a “strategy for accessing money” for governance, human capital, and economic development – the three pillars of the second PARPA– as well as a document that could smooth over ideological differences within the dominant party of Frelimo.8 The PARPA has thus over time become a catalogue for all actors wanting to access state and donor funding besides securing ideological continuation and accommodating the need for reforms, as they all could find an appropriate ‘fit’ within it in order to legitimise requests and political positions. The concluding section of the paper considers the future prospects of the PARPA in Mozambique, which at present seem to have disappeared, at least in name. But if the PARPA disappears from Mozambique in 2010, what will remain is the aid provision and monitoring architecture that will be carried over into the government’s new five-year plan.

2. PARPA-RELATED DEBATES IN MOZAMBIQUE

The academic critiques related to the emergence of poverty reduction strategy papers in Mozambique focused initially on the limited and weak consultation and public participation process for the elaboration and monitoring of the successive PARPAs. The causes of this were identified as a fragmented and weak civil society and a Mozambican government unwilling to engage with the population (Åkesson and Nilsson 2006; Vaux et al. 2006). The PARPA was as such conceptualised as a ‘top-down’ executive imposition structured around the then Ministry for Planning and Finance (MPF) consulting with other line-ministries with limited societal influence and engagement.9 However, much has been done

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8 The PARPA is not, in the strict sense of the word, a strategy that aspires towards a fresh start, allowing strategic choosing between different priorities and providing guidance in a programmatic manner.

9 In 2005 the MPF was split into two, namely the Ministry of Planning and Development and the Ministry of Finance.
over the years to rectify the initial critique. Since 2001, with strong donor support during the implementation of the first PARPA, the government has been investing in formalised “poverty observatories” at provincial and national level and in some districts, thus providing a consultative interface between government and civil society. Furthermore, the broadening of the consultative platform has, as we argue in this paper, been one among several chief arenas for establishing ‘poverty’ and the PARPA as priorities, as it has accustomed government and state officials to the framework.

More recent critiques have focused on the content of the PARPA and suggested that the PARPA approach takes sovereignty away from the Frelimo government by pushing through externally defined development targets in contrast to what would have been ‘home-grown’, broad-based growth priorities for poverty alleviation (see Renzio and Hanlon 2006; Hanlon and Smart 2008). First, this critique followed in the slipstream of the intimate linkage between the HIPC debt relief initiative, from which Mozambique benefited considerably, and a concessional loan agreement by the IMF/World Bank, both of which were tied to the PARPA initiative. Second, the much hailed and innovative donor-government interface known as the Programme Aid Partnership (PAP) modality has been accused of taking scarce human and financial resources away from implementation, and of catering more for accounting to the international donor agencies than to the Mozambican parliament and population. Finally, critique has been fed by what seems to be considerable differences in the formal content of PARPA I (2001-2005) and PARPA II (2006-2009), with the latter showing a stronger emphasis on employment creation, productive sector development and economic growth than on delivery of social services, which was emphasized in the first PARPA. The difference, it has been suggested, means that the focus of the first PARPA on social services was an imposition by donors covering over more genuinely homebrewed government policy choices related to the productive sectors.

It is clear, as we argue in this paper, that the link between accessing debt relief through the HIPC mechanism and elaborating a PARPA is strong. Mozambique has been one of the countries that benefited the most by the HIPC initiative. Debt was reduced from USD 5.6 billion to what Tamele (2007: 7) calls “a sensible” USD 1.3 billion. The immediate results achieved were satisfactory. Between 1996 and 2000 the annual inflation rate went down from 47 to 2 percent and the GDP grew on average 10 percent per annum (ibid). This, combined with the implementation of strict and disciplined macroeconomic measures, has without doubt contributed to macroeconomic stability in Mozambique. However, as Tamele points out, “the macroeconomic environment remains weak. A number of factors contribute, including low resources endowment, party interest, inappropriate macroeconomic policies and narrow export base with volatile terms of trade combine to undermine macroeconomic stability” (ibid). Due to this situation, the IMF has controlled the balance of payment in Mozambique by consistently trying to “impose firm caps on government spending” (ibid.). Caps on government spending related to (increasing) public salaries and staff increases did not necessarily go well with channelling increased aid funds through the public system, as Renzio

10 The name of the observatories has recently changed from ‘poverty observatories’ to ‘development observatories’ on request from the Mozambican government. This reflects the shift in emphasis from the first PARPA to the second.
and Hanlon (2009) and Hanlon and Smart (2008) point out, and many donors supported the government in challenging this dogma, particularly after 2005.

The question is: would the government of Mozambique have adopted the PARPA framework, with its strong emphasis on the millennium development goals (MDG), if it was not keen on entering a debt relief agreement? Most probably elaborating a PARPA would not have been considered necessary, as planning modalities and strategies were already in place that catered for the PARPA framework’s focus on poverty reduction. The broader question is whether the social service focus of the first PARPA was conditioned solely by the HIPC agreement, thereby causing a reorientation of the Mozambican government’s priorities. As we argue in this paper, while it is correct that the PARPA evolved as a response to the HIPC, to a large extent the PARPA, as it developed from 2000 onwards, fed on and incorporated elements of existing development plans (see Falck et al. 2003). Furthermore, the PARPA framework has proved that it can accommodate and embed government and sector priorities as they emerged through the negotiating procedures created by the Programme Aid Partnership (PAP or Parceiros de Apoio Programático) modality.

Without a doubt, the most controversial and influential PARPA debate has centred on the PAP modality, which evolved from 2004 and came to structure the relationship between the donor community and the Mozambican government with regard to substantial aspects of aid disbursements. The PAP was initiated by the five long-term government partners from the northern European countries, who provided an early form of direct budget support for the Mozambican government’s public spending. This developed slowly into a group of 19 donors, who funded over 50 percent of the state budget after 2004. By 2009, the PAP group consisted of the African Development Bank (AfDB), European Union (EU), Denmark, Norway, Sweden, Finland, Austria, Germany, the Netherlands, Belgium, Ireland, Britain, Portugal, France, Spain, Italy, Switzerland, Canada and the World Bank. There are two associate members, the US and the UN, while the International Monetary Fund (IMF) is a non-signatory, but ex-officio, member. In March 2009 a new status agreement for non-budget support donors was agreed. This became necessary as the G19 took over most of the important aspects of the general donor policy dialogue structuring non-PAP members’ engagement with the Mozambican government. The two largest non-budget donors — the United States and Japan — and the IMF raised concerns over this development as they saw their influence diminishing. The G19 is governed by what it calls the “troika”. Each year a new budget support donor is elected to the troika for three years. The first year the new member becomes ‘initiated’, the second ‘chairing’ and the third ‘passing on experience’, thus securing continuity in the engagement with the Mozambican government and creating cohesion within the PAP group. The in the setup the European Commission and the World Bank who, as mentioned in the Memorandum of Understanding (MoU) discussed below, as the “two most influential PAP donors” are invited in as members of the governing body.11

Through the PAP, Mozambique today has the largest group of organised donors in-

11 In 2009 the troika comprised Ireland (its last year) which means that ambassador Frank Sheridan was chair the year before, Finland (with ambassador Karl Alanko as present chair), and the UK (which has just joined, replacing Norway, and will chair next year).
involved in providing general budget support in Sub-Saharan Africa. The formal aim of direct aid to the Mozambican budget provided through the PAP mechanism is to ensure the efficiency of financial aid in the implementation of Mozambique’s PARPA. Unsurprisingly, the PAP has institutionalised a new type of engagement between international donors and the government of Mozambique and is based on an MoU between the government of Mozambique and the G19. The MoU releases direct funds, which for the fiscal budget of 2007 amounted to USD 375 million out of an international aid budget of just above USD 1.4 billion (Development Today, May 25, 2009). For 2009 the PAP contribution rose to USD 471.8 million in direct support to the budget, while USD 332.7 million will be used for development projects. This brings the total PAP contribution up to USD 804.5 million.

Even though the IMF (Clément 2008: 7) considers the PAP “a model for other sub-Saharan African countries in terms of donor co-ordination and the processes that lead to continued improvements in aid effectiveness”, the approach is not uncontested. The most controversial aspect of the PAP has been the monitoring system known as the Performance Assessment Framework (PAF), which has evolved and expanded year by year so that it now contains 41 indicators for the government and 15 for the PAP. The PAF is assessed every year in a joint donor-government review with the results published as an aide-mémoire that includes background documents supporting the review results. Institutionally the PAP/PAF today includes a joint secretariat, a steering committee, quarterly budget execution reports and an evolving body of 28 working groups (that can each have several sub-working groups), each operating with its own mandate and, by 2007, involving 360 officials from the donor group and a similar number from the government (Development Today, 25 May, 2009). Besides these monitoring mechanisms, a joint annual assessment and approval exercise is carried out which, it has been suggested, directs government accountability towards the donor groups instead of Parliament and the population, where there is a fear that the PAP is “looked upon as a shadow government” (Development Today, May 25, 2009; Castel-Branco et al. 2009; see also Renzio and Hanlon 2006; 2009).

Among high-level government and state officials there is agreement that the PAP framework (the totality of target, focus, funding and monitoring) and the form in which the PAP evolved in response to the financing of the PARPA by the international donor community, has been elaborate and tedious, utilising scarce human resources for monitoring and reporting instead of implementation (see Killick et al. 2005; Renzio and Hanlon 2006; Hanlon and Smart 2008; for a more positive account see Fischer et al. 2008; Clément 2008 who emphasise funding predictability and increased efficiency). The points have been raised in the media from time to time and in the yearly assessments of progress of the PAP, but as the head of the unit in charge of most of the monitoring from the Ministry of Planning and Development (MPD) suggested:

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12 (See Club of Mozambique: http://www.clubofmozambique.com/solutions1/sectionnews.php?sec=party_development&id=15227&tipo=one). Development projects’ includes sector support, which from 2009/2010 will have its contributions measured and announced in advance like Direct Budget Support (DBS). Intriguingly, the news report linked the 2009 PAP provision directly to the October national elections: “Mozambique which is set to hold elections in October this year, is said to have lined up several development projects hence the donors coming in to pump their aid” (ibid.).
It is not just that PAP is time-consuming – it is actually the least time-consuming as it is well organised. It is the PAP, together with all the other evaluations that come in rapid succession, which makes it burdensome. Besides the smaller ones, this year alone we had to hand in to Parliament the balanço (literally audit or accounting) of the Economic and Social Plan (PES) 2008 at the end of January, and this was followed by a new deadline at the end of March for the first three months of the PES 2009. Then came the big PAP evaluation, taking one and a half months, with deadline at the end of April, followed by the half-year balança of PES at the end of July before the September revision and mid-term review of the PAP. Each evaluation is slightly different; they are all related but have different formats and different sets of indicators. The PARPA has +200 indicators and is very detailed, whereas the PAP is narrow with only about 40 indicators. This is what makes it burdensome. (Interview MPD, July 2009)

On top of this, the government also needed information for the balanço of its five-year programme as preparation for the forthcoming elections and so forth, combined with the various other donor missions coming in a steady stream. Another related critique of the PAP is that there is no “power parity” in the relationship. As the 2009 independent evaluation of the PAP from 2004 to 2008 suggested: 13

Ministers answer PAP’ questions but it is very rare that they ask questions to the PAPs. This is because the GoM [Government of Mozambique] is not spending enough time and resources preparing for these debates and also because of lack of power parity such that many in GoM believe that for the sake of keeping aid flowing they should not question PAPs’ behaviour and practices.

The MoU and the Paris Declaration have good intentions but are not legally binding and do not guarantee a power balance between donors and the GoM. Hence, it is unlikely that the GoM will question donors because at political level the GoM is not prepared to sustain a crisis that may result from such questioning. (Castel-Branco et al. 2009: 13)

The relationship between donors and government has been called a “pathological equilibrium” by Renzio and Hanlon (2006: 21), who refer to donors turning a blind eye to corruption and embezzlement in order to “safeguard Mozambique’s reputation as a ‘success story’” while government officials pursue their own agendas knowing that they will receive aid as long as the performance by the government as a whole is good (ibid.: 8). While it is correct that government criticism of the PAP generally has been limited, there have nonetheless been consistent voices raised. Health Minister Paulo Garrido, for instance, has consistently questioned the slow donor release of funding for his sector in the media and at joint donor meetings. Nonetheless, he simultaneously turns the critique inward towards the “attitude” and “functioning” of his own health officials who “resist” and “don’t agree with the changes” in how funding is released (Tempo, Number 1568, 2007: 10-16).

13 The evaluation was made by a team from Instituto de Estudos Sociais e Económicos, Institute of Economic and Social Studies (IESE), which is an independent, Maputo-based research thinktank established in 2007. IESE is sponsored for the first period by the five PAP embassies of Denmark, Swiss, UK, Norway, and Ireland with Finland coming on board in 2009. The director is the SOAS-trained economist Carlos Castel-Branco.
This should be no surprise. As Hodges and Tibana (2005) point out, when direct budget support was argued for in a series of studies by DFID in 2004, government ministers and ministerial officials would react differently to changes in the aid funding regime. Top officials in core social service ministries, who are used to handling many projects and have funding tied directly to their ministerial portfolio, could see their power and independence being undercut by a move to use direct budget support. In contrast, ministries such as planning and development (MPD), as well as the ministry of finance (MF), which coordinate planning, monitoring and running the finance systems, would benefit from the change, just as the executives could see their position strengthened as they tighten their grip on funding and execution. It is therefore not uncommon that the very same officials both defend and lambast the PAP and direct budget support. Two issues underpin both support and critique: fear of losing funding and thereby autonomy; and lack of capacity in the state system.

We will return to these issues in section 5 when we look more closely at how state officials came to relate to and form part of the PARPA. Here it is sufficient to point out that for government officials the PARPA came to have different functions. For them it became a mix of: a ‘fundraising’ paper in which their ministry units had to be mentioned in order to attract funding; a paper that gave ‘exposure’ and therefore made them ‘visible’ so they did not disappear from the gaze of the political authorities; and/or a paper that gave legitimacy to ongoing activities and plans while still influencing long-term plans and activities. With the manifold reforms and restructurings of ministerial departments taking place in Mozambique, the PARPA – both for those needing to attract funding and those with separate funding, but nonetheless needing to protect their existence – the PARPA became an important document that they strove to remain part of in their own way.

We will now trace aspects of the Frelimo government’s broader history of service delivery and economic development in Mozambique in order to give a context for understanding the PARPA’s emergence and strong presence today. We will here argue that after the political turbulence of the 1980s and 1990s with privatisation and structural adjustment, the PARPA allowed for different elite groups to find common ground with regard to ideological and party-preserving concerns, as social and market-economic trade-offs could now be legitimately accommodated.

3. BRIEF HISTORY OF SERVICE AND DEVELOPMENT IN MOZAMBIQUE

After the initial rather chaotic years following the breakdown of the colonial system in 1974 in the aftermath of the Portuguese Carnation Revolution, a Frelimo-dominated transitional government ascended to power in 1975. The first policies and guidelines concerning the creation of the New Man (Homen Novo) and New Society (Sociedade Novo) were defined in a series of national conferences, seminars and workshops during 1975 and 1976, culminating in the establishment of a one-party Marxist-Leninist state in 1977.15

14 The UK government is the donor which today provides most of its support to Mozambique – around 80 percent – as general budget support.

15 The first seminars and workshops focused on education, agriculture, technical education, co-operatives and public service.
The post-colonial, state-centralist and interventionist project initially drew on experiences and ideas emerging from the liberated zones in the north and concentrated on sectors that could spearhead a thorough reordering of the power structure and transform socio-economic and spatial relations in Mozambique (Central Committee Report [1977] 1978: 45; 53).

Partly based on ideological inclinations and partly forced by the chaos that unfolded after independence, the new state was driven to intervene in the production and economy so that by 1982 “only 27 percent of firms in industry, commerce and agriculture remained private; the rest had become state enterprises or continued to be ‘intervened’ in” (Pitcher 2002: 44).

At the core of Frelimo’s understanding of the task it confronted was an ideological combination of three strains that at times converged and at other times contradicted each other: modernism, nationalism and socialism. Traces from each of these ideological underpinnings are present today in changing conceptions that very much inform government members’ understanding of what development is and what poverty reduction should focus on. Much could be said about socialism and how this ideological strain has waxed and waned. Initially the rhetoric was strong and imbued all facets of the post-independent reality. Today socialism is very seldom referred to. But one aspect has endured with unhindered strength: the leading and intervening role of the state in what Pitcher (2002: 51-52) calls the “endless list of tasks to which the [Mozambican] state would devote itself”.

The state’s role in the economy, production, industry, agriculture, private and social sectors and so forth was often based on at best weak and “quite superficial, contradictory, unrealistic, and just plain wrong” economic and social analyses of the tasks ahead (ibid.: 52). But the state was ‘just’ “the main instrument for putting the (Frelimo) Party’s policy into practice. The Party leads and gives direction to all State activities” (Central Committee Report [1977] 1978: 42). As such a hierarchy was initially established between the State as the chief instrument and the Party as the “vanguard and leading force” guided by the ideology of Marxism-Leninism through the fundamental principle of “democratic centralism” (ibid.: 33; 35-36). This particular feature of the how the state, party and centralism were understood has largely continued under the multi-party democratic dispensation now with the Party programme forming the basis for the government’s five-year programme guiding the state’s work.

The nationalist strain, which is shared with many other African nations going through decolonisation and nation-state building projects, tried both to eliminate the remnants of Portuguese colonialism including dependence and underdevelopment, as well as make possible the independent and shared vision of an “imagined” sovereign nation-state coming into being with and through Frelimo’s revolution. How could this be done? By and through the

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16 A myth was created that idealised these ‘liberated zones’ as the “embryonic form of People’s State (Central Committee Report [1977] 1978: 53). As Samora Machel described the liberated zones: “Everything is directed towards liberating man, serving the people … there is nothing to divide us” (Machel 1981: 43). Even though limited in extent (covering only certain areas in two of the ten provinces) this vision of the liberated zones nonetheless came to shape the “strategic politico-moral map” of the country after 1975 (Hall and Young 1997: 54; Henriksen 1978: 448; see also Buur 2009b ). The liberated zone and the idea of the liberation war were based on a military imaginary in which Frelimo was constantly under siege and surrounded by enemies (Hall and Young 1997: 55; see also Machel 1985). But the territory had also to be liberated internally, not only from capitalist exploitation, but also from all elements of the old society, in order that there be “no tribes, no regions, no races, no religious belief … to divide us” (Machel 1981: 43). The people occupying the territory were therefore, as Hall and Young suggest, seen as “possessing the potential to develop” (1997: 65).
Party and the State with a capital S, which therefore needed to be stripped of its colonial attributes (political, administrative, cultural, financial, economic, educational and so forth) and reconstructed to serve the Party in charge of the people (see Central Committee Report [1977] 1978: 40). Constructing a national identity with one language, history, unified symbols and anthem expressing what became a core value – national unity – could be done only through a negative procedure denouncing race, tribe, ethnicity and so forth – features that were associated with difference and discreteness. Creating this ‘new society’ embodying the ‘new man’ was hard labour, requiring endless reforms and changing of habits through education, and of living conditions through social services and the workplace – all with first the Party and then the State in the driving seat (Central Committee Report [1977] 1978: 55).

The last strain, modernism, both encompassed and supported socialism and nationalism and stood in tension with them. The Frelimo version of modernism was initially idealistic as it did not include the critical Marxist attributes of conflict, competition, inconsistency, contradiction, individualism and violence as foundational aspects, but dwelled solely on the triumphant, admired and celebratory attributes of industrialisation, urbanisation, planning, progress, rationality, science and control as its core attributes. Here the mainstay structural-functionalist value differentiation between ‘traditional’ and ‘modern’ was the organising principle where the ‘modern values’ would supplant irrationality and personalistic/tribalistic interests. In this optic the simple and backward society would be substituted with the society of the modern man arising from the obscurity of tradition once the urban values of rational, scientific, and technical

thought, informed by work and rights, had taken over. As Samora Machel argued, the “New Man, free for all time from ignorance and obscurantism, from superstition and prejudice” would emerge once the rural had been transformed and the colonial eradicated (Machel quoted in Pitcher 2002: 55). At the core of all three strains was a reliance on the state and the key agents of the state who could denounce and transform the backward. The strong focus on ‘social services’ from the outset of Frelimo rule is therefore not surprising as leaders and cadres of Frelimo, who were the vanguard of the revolution and aspirants of modernity, had themselves been partly excluded from domains where progress could be achieved on racial grounds; most notably education and health. Both health and education were nationalised and new, hastily developed curricula for schools were introduced and “significantly, education was the number one budgetary priority” with health “second only to education as a field of government … with the accent on ‘primary health care’” (Hall and Young 1997: 56-57).

With close to 90 percent of the population illiterate in Mozambique by independence in 1975, few educated teachers, a breakdown of both colonial teaching by race and church-based teaching combined with a new mass demand for education, the Frelimo govern-

\[17\] In many ways this modern and urban language still informs political contestations. During the final session of the National Assembly, Renamo was dissatisfied with the Frelimo approval of its candidate for the Constitutional Council. It interrupted the session in a loud and agitated fashion, and consequently the President of the Assembly called in the feared Rapid Intervention Force controlled by President Guebuza. Justifying the need to call in the unit, Edson Macuácua, who is Frelimo Deputado, parliamentary spokesperson and Secretary for the Frelimo Central Committee for Mobilisation and Propaganda, argued that Renamo had “acted in a frenetic form, violent and obstructionist, violating the most elementary values of urbanity” (Notícias, July 28, 2009: 3).
ment embarked on a massive and energetic literacy campaign (see Isaacman 1978: 72-73; Hall and Young 1997: 56-57). It was a campaign that received much acclaim as impressive results were achieved in a short time by engaging all sectors of society. For example school enrolment doubled by 1982 and an adult education programme became institutionalised (Newitt 2002: 196-97). Education and the strong emphasis on literacy were more than just a public service to be provided; they were considered essential for achieving the ‘New Society’. Portuguese as a common language, ideas concerning the Frelimo nation-state project, socio-economic mobilisation, modern legitimate governance and eradication of traditional authority and so forth – they all depended on education and the new bearer of the modern vision, the teacher.

In much the same vein the health sector – and primary health care in particular – saw an almost total depletion of already scarce human resources: at independence in 1975 a population of around 12 million was left with 30 trained doctors. Add to this the consequences of nationalisation of health services where most rural health posts and hospitals were left without qualified personnel exactly when the aspirations were at their highest. But by recruiting foreign medical workers, implementing a new national health programme and raising the health budget to around 15 percent of the national budget, the vaccination programme, for example, reached 90 to 95 percent of the population by 1978 (Hall and Young 1997: 58; Newitt 2002: 197).

Health provision, like education, was more than a discrete service as it formed part and parcel of doing away with the traditional domain of healers and substituting it with a modern and urban scientific world view. The main targets of Renamo during the civil war became, perhaps unsurprisingly, the agents of Frelimo’s modern project: teachers, health personnel and party-state cadres in general, as well as schools, health posts and storage and administrative buildings.

Frelimo’s understanding of ‘development’ was conceptually broader than education and health, in fact: “the fundamental aim of social and economic development is the building of the scientific and technical base for the transition to Socialism” (Central Committee Report [1977] 1978: 43). If health and education were directed at the social side then the economic aspect was to be achieved through raising agricultural production and embarking on a profound process of industrialisation: “Our strategy for development rests on agricultural production…. Industry is the dynamising factor for economic development. The construction of heavy industry constitutes the decisive factor for our total independence, enabling us to break from our integration into

18 The colonial regime provided some form of health service only to around 7 percent of the African population (Hanlon 1984). The provision of a close-to-free health service therefore also formed part of broadcasting a benign ‘new’ state, even though it its structure was modelled largely on the colonial state’s one (see Alexander 1997).
the imperialist system” (ibid.). The first formal and structured attempt at formulating a post-independence development vision came in 1980 with the Prospective Indicative Plan (PPI) which aimed to eliminate “underdevelopment” in a ten-year big push. It comprised three basic programmes: collectivisation of the countryside, industrialisation and training. The PPI prioritised rapid growth of material production and stressed “the centrality of planning” with the economy centrally planned and directed by the one-party state where “material improvements and ‘catching up’ with ‘progress’ was almost inseparable” (Hall and Young 1997: 90-92). But the Frelimo government encountered a “planning paradox” (Pitcher 2002: 84) as is common for command economies, as it could not centrally “take into account every single factor” needed for setting production targets, or prices for each and every item controlled by the parastatals and so forth (ibid.).

Even though the leadership proclaimed that the 1980s would be a “Decade of Development” that would transform Mozambique into a modern industrial society by 1990, the PPI reinforced the command-based propensities of the Frelimo government so it became even more “centralized and authoritarian” (Bowen 2000: 57). As Bowen (2000) has illustrated for agriculture and Castel-Branco (1994) for industry, the PPI was not really implemented, due partly to lack of investment and the collapse of the economy, and partly to the expanding civil war. The insistence on mega-projects along the Zambeze River, huge state farms, and hardly any funding for the collective and family sectors continued to inform policies (see Pitcher 2002: 81-82, 91; Bowen 1992; 2000; Adams 2008). For example between 1977 and 1981 Mozambique bought 3,000 tractors and thousands of other pieces of motorised agricultural equipment for the state sectors (Castel-Branco 1994: 112) but with decreasing production results, as the relationship between the three basic programmes of collectivisation of the countryside, industrialisation and training were never achieved (Pitcher 2002: 85). It was, as Pitcher argues, acknowledged by state and Frelimo officials that failure could not be attributed solely to the civil war as “several government reports have recognized that the state has neither the managerial skills nor the technical capacity to run state enterprises” (Pitcher 1994: 3; see also Graham 1993).

It is against this background, combined with rapidly depleting foreign reserves, a freeze on new loans and the fact that parts of the economy had returned to partial “barter economy” (see Mackintosh 1986; Bowen 2000) that a policy shift took place before Mozambique joined the IMF and the World Bank in 1984 and from 1987 formally commenced on an IMF/World Bank-sponsored Structural Adjustment Programme (known as PRE in Mozambique). At the 1983 Fourth Frelimo Congress major policy shifts were initiated that went against the PPI by changing the reliance on state-generated development plans and shifting state resources away from the extensive state sector “to achieve a more balanced development in the context of

20 Agricultural production was aimed at three things: food security, production of materials for the industry and export (Central Committee Report [1977] 1978: 46). As Bowen (2000) and Pitcher (2002) have amply illustrated, and as is clearly stated in the 1977 Central Committee Report, this was based on a distrust of the peasantry and misunderstanding of its integration in the world market during colonialism. Nearly all resources aimed at agricultural production went to state farms.

21 The “National Economic Plan” from 1978 is more like a grand statement and gave as other such plans “pride of place to social improvement in education and health. After these, investment was to be channelled in roughly equal amounts to the industrial sector and to the state farms” (Newitt 2002: 202).
In 1983 Mozambique began negotiations with the International Financial Institutions (IFI) concerning membership and formally joined in 1984, when a US ban on non-emergency aid was also lifted. Membership of the IFI had been a precondition for rescheduling foreign debt to Western donors, which had fallen into arrears. While negotiations with IMF and the World Bank regarding reforms were ongoing for the following years, Mozambique had as early as 1984 begun a cautious process of liberalising trade and production, as the economic crisis worsened and the expanding civil war severely crippled the economy. In 1984 unprofitable state farms were sold off and an export retention scheme for private businesses was introduced. This was followed by a reduction of about 15 percent in health and education spending in 1985 and finally in 1986 came the announcement of a Mozambican-designed Economic Rehabilitation Programme (see Berry 1994: 14; Cramer 2001; see also Hanlon 1991 for a more detailed analysis of the initial PRE, particularly pp. 116-20).

The Mozambican initiatives did not satisfy the IFI and many Western donors, as the reforms retained substantial subsidisation of state industry, price control, special interest rates for producers and substantial funding for the social sectors. Also the question of fiscal policy was controversial as devaluation of the (overvalued) national currency, the Metical, was resisted. Finally, in 1987 a formal PRE agreement was reached, allowing for comprehensive debt rescheduling and, since then, increased concessional aid. The 1987 formal orthodox Structural Adjustment Programme (SAP) saw a dramatic devaluation of the currency, focused on fiscal responsibility with cuts in subsidies ("getting the price right") and public sector employment, and painful cuts in social service provisions such as health and education by 20 percent, together with the typical salient features of similar austerity programmes focusing on extensive privatisation programmes and access to capital for private sector agents. There can be little doubt ...

22 It also formed part of organising for a war economy" (Wufts 1992: 218).22 In 1983 Mozambique began negotiations with the International Financial Institutions (IFI) concerning membership and formally joined in 1984, when a US ban on non-emergency aid was also lifted. Membership of the IFI had been a precondition for rescheduling foreign debt to Western donors, which had fallen into arrears. While negotiations with IMF and the World Bank regarding reforms were ongoing for the following years, Mozambique had as early as 1984 begun a cautious process of liberalising trade and production, as the economic crisis worsened and the expanding civil war severely crippled the economy. In 1984 unprofitable state farms were sold off and an export retention scheme for private businesses was introduced. This was followed by a reduction of about 15 percent in health and education spending in 1985 and finally in 1986 came the announcement of a Mozambican-designed Economic Rehabilitation Programme (see Berry 1994: 14; Cramer 2001; see also Hanlon 1991 for a more detailed analysis of the initial PRE, particularly pp. 116-20).

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that social welfare functions and core Frelimo priorities like health and education were sacrificed to the interests of a war economy and stability, just as traditional urban key Frelimo constituencies felt the hardship of reforms that exacerbated “social class differentiation and contributed to more social injustice” (Bowen 2000: 199). But, as Bowen amply illustrates, while there were hardliners seeing it as a betrayal, others endorsed the reforms with, if not exactly the same blind commitment with which socialism was pursued, then at least a certain pragmatic endorsement, arguing that it was “the price to be paid for ‘progress’ ” (Armando Guebuza, quoted in Bowen 2000: 199). President Chissano argued that the policy change was necessary but that the “long-term objective” was still in the field of welfare, health and education, but due to the debt requirements these services “slipped down the list of government priorities” in the short term (Newitt 2002: 228-29).

Although the reforms initially managed to stem the economic decline by raising productivity, creating a sounder GDP growth (from 4 percent to 5 percent), securing crucial export earnings and allowing for an influx of many wanted manufactured goods, the effects soon faded (see Bowen 2000: 189-91). Part of the reason for this was the “weak state structures” which, weakened even further through the reforms themselves, could not maintain the cohesiveness necessary for furthering the socio-economic reforms (Graham 1993: 412). In 1991, when the social costs of the austerity packages led to severe social unrest (as was common throughout Africa during the decade), the PRE was renamed Economic and Social Rehabilitation Program (PRES). One can argue that to some extent the 1992 General Peace Accord and the subsequent influx of donor aid mitigated the social and economic effects of the SAP and the privatization programme, as the state suddenly, even though under severe pressure, saw an influx of funding. In its own thwarted way, the new constitution (approved by the fifth Frelimo Congress in 1989), which formally dismantled the one-party state, mitigated some of the effects of the PRE from 1990 insofar as very large numbers of core Frelimo cadres formally became employees of the state at various levels.

It is often argued that as reforms increasingly took off after 1986, one would for the first time see clearly demarcated ideological and systemic divisions materialise within and around the Frelimo post-independence set-up that both reflected and further “intensiﬁed fragmentation and dissension within the state” (Pitcher 2002: 116). It is common to depict this as the emergence of three blocs: the ‘hardliners’, the ‘softliners’ and a ‘neo-liberal’ bloc. ‘Hardliners’ did not see any need for substantial reform of the state project and they refer, at least, to two quite different, but intertwined positions. On the one hand, ‘ideological hardliners’ recognised the need for reform as this was considered part of the conflictual basis of Marxism, but they did not search for abandonment of the socialist principles nor of state intervention per se. If anything was needed it was adjustment and adaptation. On the other hand, it also referred to

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25 Berry (1994), supervised by Tom Young and with access to his and Margaret Hall’s comprehensive material, suggests that the IFIs moderated the PRE as early as 1988 in order to cater for Frelimo complaints related to the austerity packages.

26 The three blocs emerged just when Frelimo attempted to reform the centralised state order and disengage the state from the party at the same time as the civil war was peaking and the economic crisis seemed irreversible. The loosely organised blocs created a certain degree of fluidity, and capacity to shift location made the direction of the state project less clear, but it also allowed for considerable flexibility regarding policy, as suggested by Pitcher (2002: 116). We will not here discuss their empirical status and merit in any detail. This will be done in subsequent publications.
‘systemic hardliners’ who saw the system as in no need of reform or even change. Here the administrative unity of party, state, political system and society is seen as absolutely natural and is implicitly taken for granted by many in the state apparatus at both national and provincial level.

‘Softliners’ in contrast promoted reforms of the state sector and actively advanced the emergence of a private sector and free markets, but they did not want state involvement to be totally exterminated, only reformed (streamlined and restructured), so the state better could engage with the private sector. Controlled private sector and market promotion was therefore the preferred modality for the privatisation of state assets after 1987. The ‘softliners’ bloc was quite diverse and differentiated internally with stands-offs between shifting formations, ministries and personalities regarding the pace of reform, who the intended beneficiaries were and the specific content of reforms. Even though reforms were contested, ‘softliners’ saw reform as part of preserving Frelimo dominance, such as the role of the party vis-à-vis the state and the role of the state in the economy and social sphere.

Studies of Mozambique dealing with the state privatisation after 1987 and economic policy under the gaze of donor dependence have suggested that a third bloc was increasingly in the ascendance promoting unguarded and rampant neo-liberal reforms. The neo-liberal bloc consisted of a mixture of Western donors and state and government officials from key ministries – like finance, and trade and industry – that through the 1990s and after the new millennium were in charge of market and investment policy making and implementation. The small and scattered group of national private sector members supported this drive, which was further underpinned by the alleged merger or “marriage between the politician and businessman” (Pitcher 2002: 118). The characteristics of the ‘neo-liberal’ bloc clearly play on derogatory images of the exploitative capitalist ‘selling out’ of sovereign state assets and appropriating such assets for own gain. If such a group actually can be empirically identified, it is more than doubtful at least within the Frelimo setup. In contrast it is possible to identify within the party protagonists for the different instantiations of the ‘hardliner’ and ‘softliner’ blocs.

We mention the three blocs here as we move to the next section dealing with the emergence of the PARPA approach and its appropriation by the Mozambican government and state. We do so because we will suggest that the PARPA, far from just being an imposition, was easy to appropriate and align to ongoing Mozambican concerns, because its content and form was in line with long-term national policy preoccupations, thus both allowing for ‘hardliners’ to see it as ‘national’ and for ‘softliners’ to find it acceptable as reforms over time found a controlled form.

4. THE EMERGENCE OF THE PARPA APPROACH

Since the GPA in 1992 there has been a strong public sector focus in Mozambique (generally called institutional development). This is partly a result of the devastating civil war that embroiled Mozambique between 1977 and 1992, leaving most of the country’s infrastructure and human resources depleted or in ruins, and partly of the fact that the state’s planning and implementation capacity was weak and geared towards coping with war requirements. Add to this the development of a highly centralised and inefficient state administration after inde-
pendence. In Kulipossa and Manor’s recent assessment: “The colonial legacy and the post-independence socialist experience [left Mozambique] with a heavily centralised and under-resourced administration, and a poorly educated, inexperienced, poorly paid, and demotivated workforce [in a situation where] centralised planning still operates at national and provincial levels, but ... is poorly defined and coordinated” (2007: 173). In many ways the strong focus on the public sector by the international donor community, in particular the core long-term donors, played into consolidating the Frelimo government as it helped to both sustain and build up the state as the central interlocutor for economic, social and political developments besides funding state spending. This was a position that the state always, at least ideologically, held, first as a one-party state and after the constitutional changes in 1990 as a Frelimo-dominated state. In contrast to some analyses of the emergence of the PARPA in Mozambique after 1999, this article suggests that neither the content of the first plan nor the increased focus on planning, implementation and monitoring can be defined as a radical break with the Frelimo government’s priorities; nor, necessarily, should it be seen as pure imposition leading to a situation of diminishing capacity to exercise sovereignty. After the SAP and the civil war it resembled, to some extent, more of a ‘return’ to former policies, as the first PARPA focused on the social sectors.

The government of Mozambique, in its effort to “fight absolute poverty” has, as mentioned, tapped into the PRSP process relatively smoothly. The process began in 1996/97 when the first national household survey was conducted in order to reach a better understanding of the socio-economic situation of the population. In 1999, the strategy document *Linhas de Ação para a Erradicação da Pobreza Absoluta* (hereafter *Linhas de Ação*), based on the results of the survey, was approved by the Council of Ministers (Conselho de Ministros 1999). The instrument provided a set of general guidelines for targeting rapid and sustainable economic growth, stating a target of an economic growth rate of 10 percent per annum for the next ten years in the “fight against absolute poverty”. It was envisaged that economic growth had to favour the industry and construction sectors, especially in the rural areas, for their relatively high productivity and potential for labour intensity keeping and fixing returning war refugees in the rural areas (one such agriculture-based rural industry was the sugar industry). References were also made to the need to increase productivity in the agriculture sector, especially in potential export areas, as well as to develop adequate economic infrastructure in rural areas to encourage investment. In line with post-independence commitments, special attention was given to the development of human capital through public investment in education, health, water and sanitation.

Following from this first attempt at formulating a plan for dealing with poverty, the elaboration of the first PARPA for the period of 2001-2005 began in 1999. This means that before the World Bank and IMF introduced the new planning instrument (PRSP) as part of the HIPC initiative, the government of Mozambique had already started to elaborate a strategy for poverty reduction. This is a point the government of Mozambique has continually reiterated and used to

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27 With a population growth of 2.7 percent per annum the 10 percent growth rate was considered sufficient to lift large sections of the population out of absolute poverty.
counter suggestions that the PARPA was a ‘pure’ imposition by international financial institutions (see for example GoM 2000; 2001). This does not mean, however, that the PARPA was a “homebrewed intervention” (as it was to some extent in Uganda) as suggested by members of the team participating in the formulation of subsequent PARPAs, nor that it was well aligned to the five-year government programme. In reality there is a mismatch in timing between the five-year government programme and the PARPA (interview 2008 MPD). There can be no doubt that international developments linked to debt relief for poor countries introduced new requirements in terms of planning processes for the countries covered by the HIPC initiative. Rather, as suggested by members of the MPD “the country already had an instrument that presented and contained the majority of issues covered by the proposed PRSP” (Interview MPD 2008).

The deal became that the Linhas de Acção became considered an “interim PRSP”, which needed further work, because the plan, among other things, “lacked the extensive consultation process” which forms part of the PRSP process as set out in guidelines by the World Bank (GoM 2001; Interview MPD 2008).

The issue of “consultation” that has featured so prominently in the discussion of the PRSPs more generally has been discussed primarily in the broader literature on the Mozambican PRSP process in relation to civil society participation. While important in its own right, the impact of consultation is perhaps not, we suggest, the most important issue. Instead, we consider how the initial “consultation” was done and examine how the bureaucratic apparatus functions. As the PRSP process started, the official position was that “Mozambique has a long tradition for consultation concerning national, sectoral and development priorities. Based on this historical process, the different stakeholders have been involved in the planning process” (GoM 2001). Indeed, the elaboration of the first PARPA involved different stakeholders and to some extent it is correct, as until 1990 the one-party state pursued by the Frelimo government did have institutionalised mechanisms for participation and consultation in decision making within the party. But the one-party state model was also, according to Kulipossa and Manor’s assessment (2007: 173), strongly centralised, something which was carried over into the democratic state.

Within this scheme of things the first PARPA was based on sector plans and strategies extracted and reassembled with the government “sharing its views with other stakeholders”. More specifically, in order to fulfill the consultative requirement of the World Bank, the government circulated two versions of the PARPA. The first version was not well received, because the consulted people did not have enough time to read and comment as the document was circulated late (Oya 2004). Consultation

28 The consultation at province and district level in particular was done in a manner that did not fulfil the expectations of the donor community (Oya 2004: 16). As suggested by McGee et al. (2001) and Falck et al. (2003), the Mozambique government generally avoided involving non-government organisations in the process. It is fair to say that the government developed the first PARPA without much involvement from other segments of the society.

29 But the lack of consultation during the first PARPA process was also due to the fact that the involved people had different motivations and capacities to engage in such a comprehensive and new way of planning. For example the Mozambique Debt Group was interested in contributing to the process because the results were directly linked to its work (advocating for debt relief). On the other hand, the private sector organisation CTA had a weak motivation, as a result of past experiences with consultation with the government that some suggested did not bring any results (Oya 2004: 17).
related to two circuits: first a few selected provincial and district entities and second at central level. Here the process was more interactive between members of the MPF and other ministries (Interview MPD 2008; see also Oya 2004). Interestingly, members from the MPF who participated in the process suggested with hindsight that it “could have been more fruitful” if the MPF, representing government during the consultation process, had presented an “expanded menu of options” allowing the stakeholders to “make choices among a set of predefined choices”. Without this, participants in the consultation meetings had no options to choose from or recommend on.30 While clearly correct, the critique also speaks volumes about how ‘consultation’ was understood initially and most probably continues to be understood.

For members of the MPF technical team running the process, backed by a consultant team from the World Bank, there was nonetheless little doubt that the ‘dialogue space’ was not considered that important just then, as the Linhas de Ação had already set out the strategic options and the relevant concrete actions it wanted to focus on (interview MPD 2008). A four-month period had been allocated to elaborate the final document and have it approved in time for the deadline of the HIPC Initiative. The government, in other words, was under pressure to finalise the first PARPA document in time to meet the HIPC “completion point” (Oya 2004: 17). What stands out about the process, then, is that the ministries, generally speaking, were not really involved. This allowed the first PARPA to be quite clear, focusing on only a few selected sectors. The narrower and more limited focus in the first PARPA on first of all literacy and education, health provision, provision of water and basic infrastructure combined with rural development was nothing new; it had been carried over from the broader post-conflict reconstruction work initiated after the GPA and the first democratic election in 1994. Focus was on providing crucial social and infrastructural services, getting the state apparatus to function again institutionally and structurally, and on building human capacity.

While the HIPC relieved the Mozambican government of a debt of around three billion USD, and while the priorities in the first PARPA were strongly influenced by the offered reprieve on social sectors, it was not, as one participant from the donor community suggested, “an absolute condition” that the released funds should be used on social sectors. It was not just an ‘imposition’, a ‘dictate’ or ‘subservience’, as suggested by many scholars analysing Mozambican aid dependence (see Renzio and Hanlon 2009: 253; Killick et al. 2005: 50).31 Existing donor strategies focusing on poverty reduction and the later MDG-driven social sector investments were a government priority with a long history. In other words, few have so far recognised that while the HIPC initiative stipulated using half of the budget on

30 But as suggested by Oya, the lack of engagement was due more to a lack of clear strategic options in the draft plan itself, which might have allowed participants to raise informed comments (2004: 19).

31 What has to be recognised, and where Hanlon and Smart (2008) and Renzio and Hanlon (2009) are right, is that the IMF’s intense focus on macro-economic stability did not always go well with the donor aid funded government, with its focus on social sectors such as education and health. But one also needs to recognise that many donors supported the government in challenging the IMF and World Bank, and in 2009 did public servants’ salaries increase by over 16 percent (clearly part of preparing for the general elections in October).
PARPA I. Focus and Aim

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<th>Short-Term Priority Areas</th>
<th>Health</th>
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<td>Agriculture and rural development</td>
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Medium- to Long-Term Priority Areas

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<tr>
<th>Agriculture and rural development</th>
<th>Good Governance</th>
<th>Macro-economic and financial management</th>
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As the “dynamics of human development and broad-based growth are interdependent”, the PARPA combines “programmes that benefit the poor in the short-term, with policies that deliver benefits in the medium- and long-term by promoting rapid and balanced growth and providing the best chance for creating a ‘virtuous cycle’ of accelerated and sustainable progress in the fight against poverty”.

Short-Term Priority Areas:
Education is addressed as “a basic human right”. Education is argued to have a “fundamental role for poverty reduction” contributing "directly to human development by improving capacities and opportunities for the poor”. But education is also argued to be “essential for rapid growth, as it expands the quantity and quality of human capital available for productive activities”. The main objectives are the achievement of “universal primary education” and “rapidly expanding secondary education, informal education, and technical-vocational training” with “the largest share of resources … allocated to primary education”.

Health has a “fundamental role in directly improving the wellbeing of the poor” and contributes “to rapid economic growth by improving the quality of human capital”. The main objective is to “include an expansion of, and improvement in, the coverage of primary health care”. Based on programmes “geared towards target groups” (women, etc.), and campaigns against “the HIV/AIDS epidemic” and “endemic diseases” (malaria, etc.). The area of health includes initiatives such as the provision of water and food security.

Development of basic infrastructure is addressed through “improvements in the road network” facilitating communication and mobility that plays a fundamental role “in stimulating a market economy and expanding opportunities for the poor” as access to markets and cost reduction are secured. Focus is also on “the provision of water and energy” as it “is fundamental to the development of human capital and the expansion of national output”.

Medium- to Long-Term Priority Areas:
Agriculture and rural development has as its “principal objective” an “increase in income-generating opportunities” for the “family sector”. Income generation “depends on agronomic advances to raise productivity”, “on access to markets” and “actions to develop human capital and infrastructure”.

Good Governance addresses the “quality of State institutions” crucial for “the provision of public services benefiting the poor [and] achieving rapid and sustained growth” including accountability, audit culture etc.

Macro-economic and financial management addresses the “basic requirements for creating an environment to stimulate rapid growth and poverty reduction”

The division of the six priority areas in short and medium/long-term is based on our reading of the PARPA, as the document does not make the division explicit. All the short-term investments have medium- and long-term effects and for example macro-economic stability is usually a central short-term priority, but has also been pursued as a medium to long term priority in Mozambique. Our division is based on what is concrete and what seem to be more diffuse (often capacity) investments mentioned in the first PARPA.

Based on GoM (2001: 3-5)
social sectors (considered poverty reduction) this ‘fitted’ the Frelimo government’s long-term priorities established from the time of independence in 1975 and after the emergence from the war economy and the structural adjustments of the 1980s, when other priorities took centre stage. Furthermore, it allowed for both ‘ideological’ and ‘systemic’ hardliners to argue that the PARPA was not a diversion from core Frelimo policies, while still allowing for ‘softliners’ to reform the state without undercutsing Frelimo control.

5. POPULARISING THE PARPA: ‘WE NEED TO BE INCLUDED’

What is particularly striking is that during the first five-year mandate, the PARPA went from being a relative stranger in the political and administrative domain to being a common feature in public speeches arguing for reform initiatives in all sectors. In Mozambique, national policy and development planning documents from all ministries have poverty reduction as a key objective. Here we highlight and discuss some of the reasons for the remarkable integration of the PARPA in the political economy of Mozambican state and aid-financed development practices.

In 2001 the government, together with the donor community, began to institutionalise the consultation process in two important ways. First, the creation of Poverty Observatories (POs) nationally and provincially – and, at a later stage, at district level in some cases – was an attempt to establish an institutionalised mechanism that could co-ordinate participation of non-state actors and consultation between the government and social partners, thus making the government more accountable to the population. The POs were designed to monitor the progress of the PARPA implementation and became referred to as the Mozambique Dialogue Space. Despite many problems, the POs were considered by the World Bank as one of the “best practices” (Francisco and Matter 2007). Even though limited in influence, the practice of ‘consultation’ meant that provincial governments and key sector ministries increasingly needed to quantify and qualify their activities in the public domain in front of the media and a diverse range of civil society actors who eagerly participated. But the POs are only one domain where the state bureaucracy was integrated with the PARPA, as discourse and practice. More mundane and less spectacular – but not less important, we suggest – have been processes related to the broader public sector reform initiatives and administrative deconcentration and democratic decentralisation drive, where a whole range of planning mechanisms gradually became institutionalised, such as the five-year Strategic District Plans (PeDD) and the yearly Social and Economic Plans (PES) that spanned district, provincial and national levels. How the PARPA figured in the elaboration of these planning instruments tells quite a lot about the functioning and usage of the PARPA outside

32 The POs are now known as ‘Development’ or ‘Growth Observatories’, but this has not lessened their importance as an institution. It has only highlighted the importance of the PARPA, as its members realise with growing clarity that the PARPA is a government programme they have to take into account and plan in relation to.

33 Some of the problems highlighted were: confusion regarding the actual role of members within POs; the concept of the PO and the specific roles and responsibilities of the membership were not clear; especially at lower levels; the PO was felt to be too large for meaningful discussion and for effective inputs to the policy process; and lack of clarity on the formal role and contribution of POs to policy making (see McGee et al. 2002; Falck et al. 2003; Francisco and Matter 2007).

34 Since 2005, when districts got their own budgets, the Social and Economic Plan (PES) has become the PESOD at district level. OD stands for Orçamento Distrital or District Budget.
the primary domain of the key ministries of Planning and Development and of Finance, and the ministerial “focal points” in charge of the PARPA process.

In general the PARPA document was not made available at the level of districts (see Buur 2005; 2008). Instead Administrators, District Technical Teams and after 2006 Permanent Secretaries at district and province level received “briefings” on the overall content of the PARPAs and their relationship to the five-year government plan by higherranked provincial and national leaders. The idea was that they then disseminated such information to district staff as “briefings” or “orientations” (Buur 2009a). Sector district administrations, particularly higher-ranked officials in health and education, were often more familiar with the PARPA as their areas were prioritised by the first PARPA. The often scant knowledge about the PARPA was less of a problem when plans were made and aligned to the PARPA, as the content was general and the local needs endless. It was therefore “easy”, as explained by district staff in Niassa Province to make district plans that embraced the content of the PARPA: “We need hospitals, health posts, access to water, more personnel, so whatever we suggest it will be easy to include [as it was PARPA relevant]” (interviews Mavago and Muembe Districts May 2005).

For local state officials, the PARPA legitimised planning, but local planning also fed into the elaboration of the second PARPA in a simple and uncomplicated manner. The elaboration of the five-yearly PeDD and the yearly PES at district level was based on visits to local communities where local needs were identified and prioritised. The plans were in general a compilation of local needs that became prioritised at district level and communicated to the provincial level, where further prioritising, alignment and harmonisation with the overall provincial government’s plans took place. At each level the plans were usually argued on page one or two to be in accordance with the PARPA and the five-year government plan (or whatever plans or strategies were up for grabs at the time). As the overall intention of the PARPA was generally known it became self-fulfilling, as questions posed regarding local needs would be concerned with the priority areas of the PARPA – health, sanitation, water and education – and these local needs plans fed into the second PARPA without much rumble. The exception was investment in administrative infrastructure, security, roads and economic development, which followed different funding patterns, but this was ideally registered in the various yearly and five-yearly plans so their contribution to the “fight against absolute poverty” was registered.35

But the PARPA and how it was argued in relation to district planning not only became self-fulfilling – it could also, until the implementation of the Local Initiative Investment Budget (OIIL) funds from 2006 during the second PARPA, function as a screening mechanism that legitimised turning down local requests for funding that did not match the goals of the first PARPA, particularly local community requests for district funding to establish or improve market places, or for agricultural inputs such as seeds, fertilisers and machinery.

35 Much the same happened with regard to non-governmental organisations working at district level – they, too, needed to get their plans included in the district plans and from 2005 submit their budgets so they became registered. They, too, used the PARPA to argue why their activities were important, as non-PARPA activities would have problems receiving external funding or funding distributed through national disbursement institutions like the national HIV/AIDS Council (Interviews Niassa 2005; Nampula 2006).
Model 1. Graphic Depiction of the Relationship between Different Government Planning Instruments

GOVERNMENT Program

Medium Term Programmes

PRSP (PARPA)
- Priority resource allocation
- Harmonization of sectoral and strategic policies

Sectoral and Provincial Plans
- Integration of sectoral strategic plans
- Inter-sectoral resource allocation

Medium Terms Expenditure Framework
- Limits for investments (internal-external)

Trinial Public Investment Program

Yearly Operational Plans

Integration of objectives and targets + Coordination of monitoring process

Annual Economic Planning
- Integration of objectives and targets
- Macro economic perspective
- Consistency of budgeting with action and policy objectives

Government Budget
- Limits of expenditures
- Investment budget

PARPA II

Pillars and Areas of Focus

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Pillar One: Governance addresses a broad and ambitious agenda of institutional reforms in the areas of public administration, public financial management, decentralisation by devolution, the judicial sector and anti-corruption measures. These are to be complemented by increasing popular participation at the local level, focusing on the district and municipality as the key unit of service delivery. Reforms in public administration will include a complete census of all civil servants, formulation of a new salary policy, and functional analysis of the key ministries to provide better services. Decentralisation reforms include devolution of some functions to the district administration, increasing the number of municipalities with elected city governments, a rethink of intergovernmental fiscal relations and transfers of a larger share of resources to local governments.

Pillar Two: Human Capital addresses improvements in human capital through interventions in the social sectors and infrastructure. The objective is to reduce infant and maternal mortality almost double the number of people benefiting from anti-retroviral treatment of HIV/AIDS; increase the net schooling rate and the conclusion rate of primary education for girls; improve the quality of teaching by reducing the student-teacher ratio; increase access to drinking water; and expand social protection programmes, among others. PARPA II also adopts a holistic view towards human development and skills development by attaching great importance to technical and vocational training and tertiary education. PARPA II further identifies science and technology as a cross-cutting priority sector.

Pillar Three: Economic Development addresses improvement of the investment climate and removing key constraints to further growth. Reforms and measures under this pillar are aimed at: (i) macroeconomic management; (ii) improving the business environment; (iii) development of the financial system; (iv) promoting the creation of a strong, dynamic, competitive and innovative private sector; (v) promoting the priority sectors, broadening the business class and creating jobs (this includes agriculture and agrarian services, natural resource management, industry, fisheries, tourism, mineral extraction, oil exploration and several employment creation programmes); (vi) improving the integration of Mozambique into the regional and international economy; and (vii) promoting the integration and consolidation of the domestic market. The latter includes road and water transport, ports and railways, bridges, marketing systems, and regulation of internal trade.

Cross-Cutting Objectives: PARPA II places necessary focus on cross-cutting areas that require multi-sector collaboration to address. These include: rural development, environment, HIV/AIDS, gender, science and technology, natural disaster management, de-mining, food and nutritional security.

Although there were some differences in the process of elaborating the first and second PARPA, both documents used Sector and Strategic Plans emerging from district and provincial levels as their basis documents when identifying priorities for the next phase. Here it is important to take into account that by the time the elaboration of the second PARPA was initiated in 2003, it had become common to use the PARPA to argue one’s case, not only at district and provincial level, but also at national level.

This was given further impetus by the formal process of elaborating the second PARPA. Here the MPF sent a formal note to the various ministries indicating the official start of the process. Each ministry would then appoint a “focal point” – a person – who would be in charge of preparing the document. Next, each sector would extract information from Sector Plans and prioritise activities in line with the Five Year Government Programme. Sectors would then consult sponsoring partners, i.e. donors and civil society actors, before discussing their draft input from the sector with people from the MPF to avoid exclusion of prioritised areas (alignment and harmonisation with the overall government plans). After agreeing in terms of potential activities to be suggested, the process of defining the matrix for monitoring and evaluation would start, with each sector being asked to provide key indicators that could be monitored over time. The document would then be considered finalised in technical terms. The MPF (and later the MPD) was clearly the driving force behind the PARPA, initiating and co-ordinating all consultative interfaces and making sure the document was ideally aligned and harmonised with other planning instruments and plans. That the MPF was the driving force did not mean that other ministries felt totally detached from the process, at least from 2003 and the elaboration of the second PARPA.

36 MPD would during the second phase become more important after its creation in 2005, for example by taking charge of evaluating the overall ‘impact’ of PARPA II from mid-2009 with the results expected released during October or November 2009.

The usage of a sectoral “focal point” meant that all sectors had at least one person who had to participate in the PARPA process at national level. This contributed to what became a scramble by ministries and institutions to be included in the second PARPA as it became clear that it “was an important document for the government and the donors” (Interview National Director for a ministerial institute 2008).

As “fighting absolute poverty” emerged as the key objective for the government and the donor community, all sectors – including those not directly targeted by the first PARPA – struggled hard to be mentioned in the second PARPA. As one national director for a ministerial institute explained it:

We fought hard to be included [in the second PARPA], even though we did not need any money from the government. We have funding from the EU for my unit. But if you are not there in

37 The document is then discussed by the Economic Council, which involves ministers and national directors from all government ministries as this integrated planning instrument covers all government ministries, some directly and others indirectly. The MPF and later MPD from 2005 then include the comments in the document in consultation with all the stakeholders. After getting comments at political level, the technical team (MPD and international consultants) discuss with all stakeholders and finalise the document before it is presented to the Economic Council at a formal meeting. The document is then presented to the Council of Ministers for approval.
the document you can become forgotten and then you don’t know what could happen. (Interview October 2008)

In a ministerial landscape of constant reform and elimination and creation of new ministries and institutes, the PARPA became an important document where one’s existence and relative importance could be flagged. To some extent the first PARPA had this built in, as it suggested:

Given its medium-term focus, the PARPA is a rolling and dynamic programming instrument. This will enable the plan to incorporate new elements arising from changes in society and the economy. The key objective – the reduction of absolute poverty – will not be altered, but the tools, policies and targets may change as our knowledge of different variables improves. Therefore, the PARPA is an instrument defining policies and actions that will be periodically reviewed and perfected, involving an ongoing process of consultations. (GoM, 2001: 3)

If mentioned in the PARPA one could, as the director in the quote above further argued “more easily fundraise as donors also needed to make sure that funds released outside the [PARPA and] PAP framework were benefiting the fight against poverty”.

The need to be mentioned in the PARPA – and if this was not possible, then at least in the broader sector plan – seems to be the case more broadly. The relatively confined focus of the first PARPA exploded in content with the elaboration of the second PARPA. Indeed, as the unit in the Ministry of Planning and Development in charge of monitoring the implementation in 2008 acknowledged:

As all proposed activities that address poverty want to be included, one can say that it is a fundraising tool legitimising sector plans, but it is still the plan of the government, containing the priorities of the government programme and the activities are related to ‘fighting absolute poverty’. We have clear indicators, so I don’t see any problem. (Interview November 2008)

The PARPA in Mozambique is considered a medium term planning instrument operationalising the Five Year Government Programme, which is ideally linked directly to the Medium-Term Expenditure Framework (financial translation of PARPA). As a medium-term planning instrument it is located above government medium-term planning instruments such as Sector Plans and the Triennial Public Investment Programme, and functions as an aggregation of sector and provincial plans. After identification of the activities to be implemented each year, the sectors translate those activities into the financial resources required to operationalise the activities. The Ministry of Planning and Development and Ministry of Finance “have the right” to check the planned sector activities for each year in order to ensure they are in line with the priorities set out in the PARPA and identified by the government (interview members of the MPD 2008). As such, the PARPA ideally ‘feeds’ or nominally sets out the priorities of annual planning instruments such as the PES. But, we suggest, because the PARPA is an aggregate of the five-year strategic district and province plans that inform the yearly PES, the relationship is far more intimate, and a causal link is difficult to identify in any strict sense. This implies that each year, the sectors ideally go to the PARPA and “take some activities” from the plan, which they will
then try to implement in that or the following year by the Programme Aid Partnership (PAP). But as the PARPA already consists of an aggregate of what was envisaged at district and province level, its strategic functioning is more nominal than causal.

The intimate link between the PARPA and the PAP also had other effects. Firstly, all ministerial officials we have spoken to fear that the PAP and direct budget support will undermine the autonomy of the ministry and the specialised national institutes (they usually have a semi-autonomous status vis-à-vis the ministry) that often are at the forefront of implementing and pushing government priorities and agendas. As one director for a national institute argued:

We support the change (to direct budget support) but there is a saying ‘when money enters the state coffers you don’t see it again … it is lost’. Your unit depends on revenues you get in for providing certain services, be it licensing, certificates, control and inspection and so forth and funds we attract from donor agencies. We have handled these revenues until now. If we have to hand them over to the Ministry of Finance will we see them again? Will we gain access to ‘our revenues’ and ‘our funds’? Many fear that we will never see them or that it will take so long before they are released that all work stalls and we will just be sitting there waiting without much to do. It means that we have to go to the donors and try to raise our own funds. Fundraising takes a lot of time and accounting for it even more, but donor funds give you the freedom to carry out your work independently. Knowing that you have the resources makes it possible to work. (Interview national director, 2008)

Secondly, even though there was fear of losing out on funding, for yet other government agencies the PARPA and PAP framework gave centrally-placed state and government officials a chance to plan and get better control over funds, as donor funding and project funding became visible in the Medium-Term Expenditure Framework.

Thirdly and related, as mentioned, a common argument is that the PAP monitoring system of the PARPA, with its many working groups, directs the most competent and best-trained staff toward monitoring instead of implementation. While this is clearly the case, it is often not acknowledged that many ministries and government officials evaluate the PAP/PARPA engagement positively. It is well known that the various reforms (financial, public, governance etc.) require a new type of state functionary, as only 5 percent of civil servants had higher education by 2004 and 90 percent of those were based in Maputo (see for example Allen and Dupont 2004).38 Even though the PAP approach to the PARPA takes up scarce resources from an already limited human capital base, the elaborate and extensive planning and monitoring system is also defended by government per-

38 This is not the only reason – for instance the slow implementation of the financial accounting system Sistafe, and even slower implementation of the electronic system e-Sistafe (by 2007 only one quarter of the state fiscal budget was uploaded) would also account for some of the delays hinted at in the above quote. But lack of staff that can run the new systems outside Maputo creates delays and resistance from long-term state officials, who fear for their own positions. Recent calls for hiring more teachers, medical staff and extension officers are all well-meaning, but Mozambique was and still is confronted with a severely depleted human capital base (Clément 2008: 3; Mills and Hansen 2009). The problem is compounded by the fact that most of the human capital base of, for example, extension officers – the government has around 671 today raised from 590 in 2007 for the whole country – is that they are of little value for productive sector development, as their training is outdated and concentrated on food security. This is nonetheless one of the PAP indicators (see Notícias, July 16, 2009: 1).
sonnel directly involved in the process, and this is not only because they have become influential enough to control key resources through it. The reason is also ideological, as a deputy minister for the MF explained:

After 1977 we used a central planning system. You can say it was imported from the Soviet Union, that it was foreign – maybe it was, but what should we do? We had few financial and human capital resources – nearly all expertise left. We tried to get the most out of scarce and very unstable resources. The war did not make it better but it was not the only problem. We did not have the human resources to do central planning and carry it through. We had to constantly go out and direct things. We did not have a stable income, so much of what we did was not sustainable, and the rest was destroyed by Renamo and the war. The PRE [structural adjustment initiated in 1987] was in many ways necessary as most of the [state] enterprises were not financially sound. It could have been done differently, maybe, but there was a need to change things. We actually opened up for private enterprise before the World Bank entered in 1987, realising by ourselves that we needed to change. Today the donors are influential but we are learning to plan, implement and monitor, and we have the financial resources to implement our government programme. You can say it is the first time we have stability. That we focus on the creation of human capital before economic growth is logical. We now know that you need human capital as the basis for economic growth and development. (Interview Vice-Minister of Finance, 2008)

This said, there is no doubt that pressures were applied and that the donor community “has influenced the government” with regard of priorities, as the vice-minister put it (ibid.). But as the minister made it abundantly clear, instead of seeing the PARPA/PAP framework (the two are often discussed as one) as an imposition that undermined national sovereignty and the right to define their own priorities, the PARPA has more continuation of priorities than is usually argued. In addition, planning, implementation and monitoring the PARPA approach and process ‘fits’, in some important ways, the idea of a ‘modern’ Mozambique (Newitt 2002; Sumich 2008) with the “desire (but not ability) to be a ‘developmental’ state” (Pitcher 2002: 78) that has been promoted so strongly by the Frelimo government since independence. In other words, the fact that the PAP framework (the totality of target, focus, funding and monitoring) is excessive does not mean that the approach to organising poverty reduction is totally at odds with government priorities, an outright imposition or even strongly resisted by state and government officials involved in the process.

6. BY WAY OF CONCLUDING: THE FUTURE OF THE PARPA

As we suggest in this paper, for many government officials the PARPA came to have different meanings as it became a mix of a ‘fundraising’ paper; a paper that gave ‘exposure’; and/or a paper that gave legitimacy to ongoing activities and plans. With the manifold reforms and restructurings of ministerial departments taking place in Mozambique, the PARPA and the PAP funding modality – both for those needing to attract funding and those with separate funding, but nonetheless needing to protect their existence – became an
important document that they strove to remain part of in their own way. It is fair to say that the PARPA is not, in the strict sense of the word, a strategy that aspires to a fresh start, allowing strategic choices between different priorities and providing guidance in a programmatic manner. As such, the PARPA is not, strictly speaking, a ‘national development strategy’ but functions, on the one hand, more as an effective tool to “ensure a steady inflow of resources” for the government and its ministries (Tamele 2007: 5; see also Renzio and Hanlon 2009). On the other hand, even though the PARPA is formally considered a materialisation of the Government Five Year Programme, the PARPA approach exceeds its initial objective. In many ways it has also come to function as a broad and all-accommodating national development framework where all government activities are assembled. As such it serves nominally as a catalogue for all sectors when drawing up policies and operational plans, where party elite groups can find a foothold, whether they insist on ideological continuation, systemic preservation or controlled reforms.

That the PARPA became “the key policy document on the basis of which donors’ support has been forthcoming” (Renzio and Hanlon 2006: 10) was in a way inevitable with the emerging need for alignment and increased co-ordination. With the PARPA international donors have a legitimate project to rally around. For members of the state bureaucracy, government officials’ constant referencing of the PARPA made them aware of it and they rallied to be ‘included’ and show that they existed. This is partly because of possible funding implications both for state budget funding and funding outside the direct budget and the sector budgets, which still is substantial. This need to be included was increased after 2003 with the elaboration of the second PARPA and one can ask: What will happen when the present PARPA runs out? Will we see the importance of the PARPA become even more important?

At the moment, the mismatch in timing between the five-year government programme and the PARPA will most probably see the PARPA disappear so that only one plan exists: the future five-year government programme to be implemented after the October 28, 2009 general elections. Evaluation of the impact of the second PARPA on poverty reduction, which is currently being carried out by a specially assembled unit within the MPF, will therefore not necessarily lead to an elaboration of a third generation PARPA. In contrast to earlier PARPAs, this time there has been no consultative process, with special ministerial ‘access points’ and NGO groups. The idea seems simply to take the government programme for the next period and provide funding for it as donors so far have done for the PARPA. In many ways this makes sense as many of the PAF indicators make projections for the years to come, with regard to donor funding pleas, co-ordination and alignment, as well as the specific government indicators that have in many cases been adjusted so that they make sense over time and therefore can begin to be used to indicate progress. As President Guebuza did win the 2009 elections, continuity in planning priorities and the specific sector content seems to be a safe bet as the presidential, and more generally, the Frelimo election programme did not break new ground (see Guebuza 2009).

It is in this sense interesting that despite much publicised general government fatigue, the PAP/PAF framework—which is criticised by commentators of all persuasions for replicating other planning processes and being excessive in its co-ordinating efforts—will continue to support the future government
programme. The PARPA therefore seems to be in the process of disappearing, at least in name, but the approach, with poverty, social services and the PAP/PAF as the practical institutionalisation of the poverty agenda, will form the backbone of the upcoming government programme after 2010. But, as agendas and plans change rapidly in donor-dependent countries like Mozambique, it may be too early to write an obituary for the PARPA. One thing is sure – poverty reduction will, if the election campaign manifesto from Frelimo is anything to go by, continue to be important: “With Guebuza will we win over poverty. United in the Fight Against Poverty”.
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**Newspapers and agencies**

Atuação profissional interferiu no desempenho do funcionário da Saúde como mostra o estudo de melhoria de atitude no setor.

Nota: Resumo de textos de notícias e artigos:
- Notícia, Julho 28, 2009.
- Tempo, N° 1568, 2007: 10-16, Melhorar a atitude do funcionário da Saúde é a grande batalha.