

The Business of Peace:

'Tiny' Rowland, Financial Incentives and the Mozambican Settlement

The strong interest demonstrated in the role of the church and various diplomatic initiatives in bringing about an end to Mozambique's war has led to a number of other critical factors being underplayed. It is well known, for instance, that the severe drought which hit Southern Africa in the early 1990s dramatically raised the costs for both sides of continuing the war. Less well understood is the extent to which the peace process was paved with incentives — largely financial in nature — which made the final settlement possible.

'Tiny' Rowland, then chief executive of the UK-based multi-national, Lonrho, started making protection payments to Renamo during the early stages of the war to protect Lonrho's agricultural and industrial investments. When this strategy failed, Rowland became personally engaged in the peace process and was instrumental in building up Renamo's confidence to step out of the bush and negotiate. His support would not be enough, however, to ensure that Mozambique's peace settlement held. Additional financial inducements were needed to secure Renamo's continuing commitment to the peace agreement, and came mainly from the Italian government.

Protection Payments

Tiny Rowland first became involved with Mozambique in the early 1960s when he negotiated the building of an oil pipeline from the port of Beira to Southern Rhodesia for Lonrho. The pipeline was opened in December 1964 and for the next three decades was Lonrho's primary asset in Mozambique. When the security of the pipeline was threatened in the early 1980s, in the context of the expanding war between the Mozambican government and the South African-backed Renamo insurgents, Lonrho entered into direct contact with Renamo to arrange a deal.

In June 1982, a Lonrho subsidiary signed a secret protection agreement with Renamo leaders covering the Beira oil pipeline. The agreement stipulated that payments of US \$500,000 would be made to Renamo each month from June to August, to be continued indefinitely thereafter, unless either party gave one month's notice to terminate the arrangement. These payments were made into foreign bank accounts controlled by a number of Renamo's senior internal leadership. Later, additional agreements were

Early disputes within Renamo were often related to the control of money and resources. One reason behind the killing of Secretary-General Orlando Cristina in mid-1983 was his secret diversion of Renamo funds for investment in a farm in Australia



The director and staff of Gurkha Security Guards protecting Lonrho's assets in northern Mozambique, 1991

reached covering Lonrho's tea estates in northern Mozambique. These latter payments continued up to the signing of the General Peace Agreement (GPA) in Rome in October 1992 and amounted to some US \$5 million.

The protection agreements between Lonrho and Renamo were complicated by the fact that Renamo's main backer in the 1980s, South Africa, considered the destruction of the Beira pipeline a priority. It was thus agreed that Renamo would carry out some symbolic attacks on the pipeline, although serious damage would be avoided. However, despite these agreements, Lonrho's commercial activities continued to be disrupted by intermittent attacks. These may have been reminders that payments were due, and company officials were quick to blame most on renegade groups operating outside the command of their leaders.

In its quest for funds to drive its war effort, Renamo sought protection agreements with other commercial firms apart from Lonrho. In 1981, the rebels had approached the Cahora Bassa consortium in Paris about ceasing attacks on the power lines running from its large hydroelectric project in Tete province.

Negotiations for monthly protection payments were conducted by Jorge Jardim, a prominent Portuguese businessman with former interests in Mozambique, serving as intermediary. However, Renamo never received any funds and Jardim was subsequently refused any further contact with Dhlakama despite his efforts to arrange another deal. Much later, in mid-1991, Renamo again made a pledge to the consortium to refrain from attacking the Cahora Bassa power lines, this time in return for a non-lethal aid deal. However, this arrangement also failed to live up to Renamo's expectations and eventually collapsed.

With the knowledge of the Mozambican government, Renamo also signed several protection agreements with the Malawian government. The first, in August 1989, resulted in a temporary cessation of Renamo attacks on the Nacala railway line. It also appears to have given the rebels transit facilities as well as permission to conduct cross-border trade in cashew nuts, ivory, hardwood, precious stones and dug-out canoes. Payments were made in Malawian currency so that Renamo could purchase consumer goods in Malawi.

After 1986, it seems that Rowland's dealings with Renamo were always discussed privately with President Chissano in advance, although other members of the Frelimo government were not informed

“We came under frequent Renamo attack protecting Lonrho assets. Often we didn’t know who was responsible. We heard rumours that Lonrho tried to reach agreements with Renamo, but we never noticed much difference. Only after the Rome peace accord was signed did attacks properly stop.”

Anthony Husher, director of Gurkha Security Guards

In October 1990, Renamo and the Malawian government signed a more formal agreement covering the Nacala line. Andre Thomashaussen of the University of South Africa flew to Blantyre to help Renamo draft the agreement. However, a spate of new Renamo attacks occurred along the Nacala corridor in January 1991. These were probably a reminder to the Malawian government that it was late in its payments and should pay what was agreed or face the consequences. Although denied at the time, talks between Renamo and the Malawian authorities took place to resolve the crisis. Another non-aggression agreement was signed at this time which would cover the Tete corridor running between Malawi and Zimbabwe after the withdrawal of Zimbabwean troops. The last Renamo attack on the Nacala corridor took place on 24 February 1991.

The secret protection payments made to Renamo during the 1980s and early 1990s brought temporary respite from the fighting in some areas, but very few instances of sustained security. Even the Beira pipeline and the Nacala corridor were occasionally attacked and well-trained military units from Zimbabwe and Malawi were soon assigned to protect these crucial transport infrastructures.

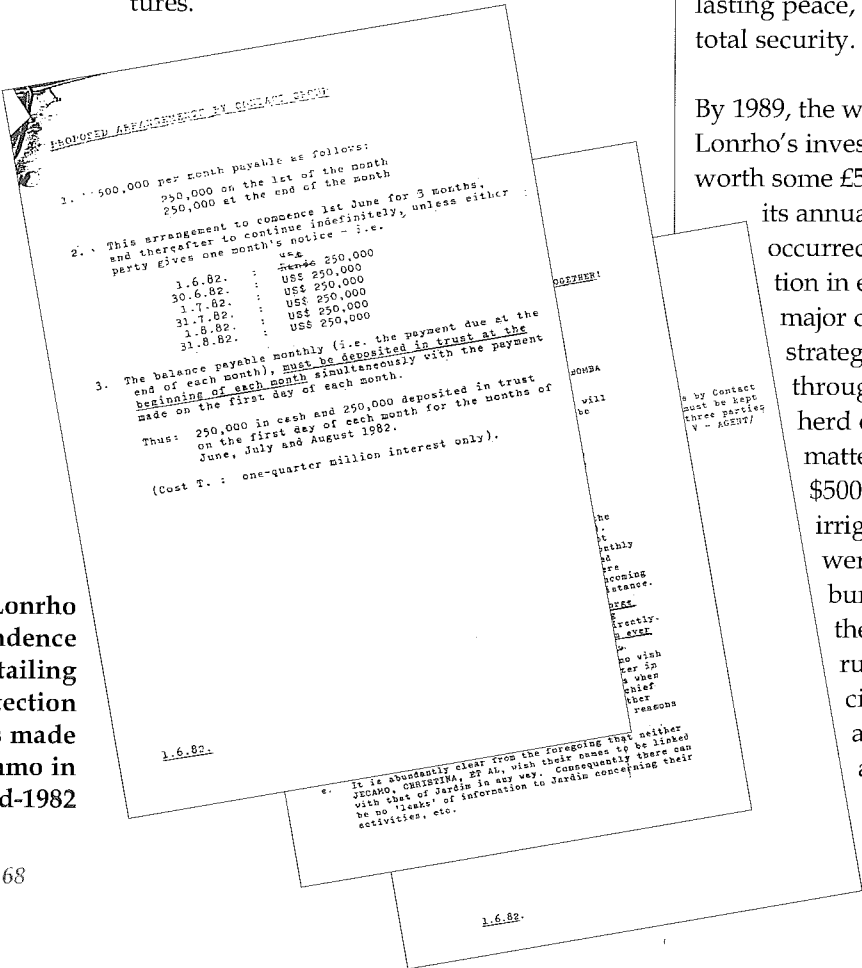
Shifts in Commercial Strategy

In the case of many of its Mozambican investments, Lonrho provided its own protection. In the Limpopo valley, triple stacks of concertina wire surrounded Lonrho’s Chokwe cotton farm which was also protected by a 1,400-strong militia, watchtowers and tanks. Despite the war, Chokwe’s 2,000 hectares achieved Africa’s highest cotton yields in 1989: 20,000 tonnes were produced. Lomaco, a Lonrho/government joint venture, was also extremely successful and at one point became the biggest producer of tomatoes in the southern hemisphere.

The price of these commercial successes, however, was high and growing. Security outlays alone were consuming about US \$1 million a year, representing 30 per cent of Lonrho’s local operating costs. To protect its estates and convoys, a £6 million, three-year contract had also been signed in 1986 with a British private security firm, Defence Systems Limited. This agreement soon became too costly and was in any case failing to ensure total protection. Money was saved by replacing Defence System’s ex-SAS officers first with Lonrho’s own security, then with Gurkhas from Gurkha Security Guards, another British firm. Only lasting peace, however, could guarantee total security.

By 1989, the war was seriously undermining Lonrho’s investments in Mozambique, then worth some £53 million, and contributing to its annual global losses. A large attack occurred against a key Lonrho installation in early 1990, precipitating a major change in its commercial strategy. Some 200 rebels broke through a perimeter fence, driving a herd of cattle before them, and in a matter of minutes blew up US \$500,000 worth of chemicals and irrigation pipes. Offices and trucks were also doused with petrol and burned. This attack strengthened the belief of Lonrho’s board that running militarised farms in a civil war was no longer feasible and that Rowland’s efforts to assist the peace process should be fully supported.

Secret Lonrho correspondence detailing protection payments made to Renamo in mid-1982



Shuttling Diplomats

Rowland had become personally engaged in the search for a solution to Mozambique's war as early as 1984 when he used his Gulfstream jet to transport Maputo officials to 'indirect' Renamo-government talks in Pretoria. He became more fully involved in 1988 with the encouragement of both the Italian consul in Malawi and John Tembo, Minister without Portfolio and, at that time, heir-apparent to President Banda of Malawi. Both men were in frequent contact with Renamo inside Mozambique.

By 1989, the search for a peace settlement would take up increasing amounts of Rowland's time and Lonrho's resources. In August of that year, after hearing of Kenya's involvement in the initial round of talks between Mozambican churchmen and Renamo, Rowland got in direct contact with President Moi. Moi subsequently ordered the permanent secretary of the Kenyan Foreign Ministry, Bethuel Abdu Kiplagat, to discuss with Renamo Rowland's interest in helping to mediate. Rowland also sent his Maputo representative, Alves Gomes, to Lisbon to lobby there for his involvement in the peace process. On 22 September, Rowland himself travelled to Lisbon and met with Portuguese Prime Minister Cavaco Silva for two hours. This meeting took place on the eve of the Prime Minister's visit to Maputo and was intended to gain support for Rowland's mediation attempts.

In October, Kiplagat accompanied Rowland to Pretoria. In a meeting with Foreign Affairs Minister 'Pik' Botha and another ministry official, Rusty Evans, he suggested that, while Renamo could not achieve a military victory, it should still be treated seriously. In December, Rowland arranged for Botha and Evans to fly secretly to Nairobi to meet President Moi. Neither President Moi nor Rowland informed Kiplagat of this meeting, an indication of his weakening position in the peace process. Around this time, the US assistant secretary of state for African affairs, Herman Cohen, also informed President Moi of his support for Rowland's initiative, though the Americans

also continued to pursue their own initiatives for peace in Mozambique.

The December meeting in Nairobi prepared the way for the June 1990 visit of F.W. de Klerk to Kenya during which the new South African president discussed the Mozambique problem with President Moi. De Klerk also secretly met with Dhlakama on 8 June, urging Renamo to be serious in peace talks with Maputo.

That same month, with President Moi's support, Rowland tried to bring about direct talks between the Mozambican government and Renamo in Blantyre, Malawi. On 9 June, Kiplagat was told to bring Dhlakama to State House, Nairobi on the following day. Once there, Dhlakama and Kiplagat found Rowland waiting for them, together with President Moi. Rowland told Dhlakama that there were delegates in Blantyre who wanted to discuss peace and offered to fly the rebel leader there to consult with them. Dhlakama refused. As a guarantee of safety, and to show there were no conditions attached, Rowland offered to take both Kiplagat and Raul Domingos, Renamo's Secretary for Foreign Relations, along with Dhlakama. Dhlakama accepted and, with President Moi supporting the initiative, the four of them flew south also accompanied by Mark Too, Moi's illegitimate son and Lonrho's Kenya director at the time.

At Blantyre airport, John Tembo was awaiting their arrival. Dhlakama went through a separate channel at the airport and was driven off by Malawian officials. Rowland, Kiplagat and Too were escorted to a government guest-house where they fruitlessly awaited Dhlakama's arrival for 11 hours, along with three Mozambican and three Zimbabwean ministers. Dhlakama had changed his mind about meeting the delegations, despite Malawian attempts to convince him otherwise. Rowland blamed Kiplagat for Dhlakama's failure to appear, claiming he had told Dhlakama that the Zimbabweans were planning to assassinate him. This marked a further decline in relations between Rowland and Kiplagat.

At a meeting with Chissano in December 1991, Rowland took advantage of

In the midst of deliberations over Mozambique's war, Rowland was also using Kenya's role in the peace process to pursue his other agendas. Hoping to develop his commercial activities in Kenya, Rowland proposed in a meeting with Moi that Kenya should grant South African Airways landing rights in Nairobi once Nelson Mandela was released from prison

The Zambian Connection

In December 1990, Rowland flew Dhlakama to Lusaka to meet Zambian President Kenneth Kaunda at the government guest-house. During their first meeting, Kaunda unsuccessfully urged Dhlakama to end the war and settle with Chissano in a face-to-face meeting. At a second consultation, Dhlakama gave Kaunda a list of his pre-conditions for direct talks to transmit to Chissano. Kaunda then agreed to Dhlakama's request to stop referring to Renamo as 'bandits' in his speeches and to ask the state-controlled media to drop the label as a gesture of reconciliation. He then visited Chissano in early January 1991 to discuss the outcome of his talks with Dhlakama. Chissano told Kaunda that no face-to-face meeting could take place between himself and the rebel leader unless it resulted in a guaranteed ceasefire.

During 1991 Kaunda's attention became increasingly focused on his own electoral campaign for Zambia's October general elections. Despite his hope to continue his mediation attempts, he was also finding his efforts undermined by Zimbabwe's determination to play a greater role. Zimbabwe, anxious to see its interests properly represented in the peace process, was increasingly concerned that Zambia and Kenya were developing too much influence in Mozambique at its expense.

Zimbabwe's desire to play a greater role in the peace process and obtained the go-ahead to bring Mugabe and Dhlakama together. In the same month, he also held two series of talks with Dhlakama, met with Mugabe in Harare and with 'Pik' Botha in Pretoria. In January 1992, President Chissano formally asked President Mugabe to meet Dhlakama to sound out the Renamo leader's ideas on a possible summit. A Mugabe-Dhlakama meeting finally took place in Blantyre, Malawi, on 9 and 10 January 1992. Like the June 1990 meeting, this almost failed with Dhlakama pulling out of the talks at the last minute. Rowland was told by Renamo official Vicente Ululu, that 'they had heard that the Zimbabweans will arrest Dhlakama.' Rowland quickly contacted John Tembo to locate the rebel leader and then accompanied the two to

State House for talks with Malawian and Zimbabwean ministers.

Dhlakama was more relaxed following this meeting. He then attended a second hour-long consultation with Presidents Banda and Mugabe, at the end of which agreement was reached on the aim of ending the war and securing the withdrawal of foreign troops from Mozambique. Rowland's belief that such an encounter might accelerate the pace of the peace process proved correct. He also noted that not all of the senior Zimbabwean officials supported his mediation efforts. It appears that the warning that Dhlakama might be abducted had actually come from a minister in the Zimbabwean delegation.

On 14 May, Rowland flew Dhlakama, Dhlakama's wife and Renamo's soon-to-be Secretary-General Vicente Ululu to Britain using Kenyan passports. This was a renewed attempt to bring Dhlakama together with President Mugabe who was in London on a private visit. Although this meeting did not take place because of pressure from Chissano, who feared Mugabe and Dhlakama were getting too close, the rebel leader met with the British assistant under-secretary for Africa, Anthony Goodenough. Restrictions on Dhlakama and other senior Renamo figures entering Britain had been lifted earlier as the Foreign and Commonwealth Office had been planning a secret Renamo-Zimbabwe summit in London. In the event, this meeting was superseded by Lonrho's successful 10 January summit in Blantyre.

Clinching the Deal

By mid-1992, the official Rome talks between Renamo and the Mozambique government had been underway for almost two years. With no signs that a settlement was imminent, pressure on the parties was growing, not least due to the severe drought affecting Southern Africa.

In an attempt to inject some urgency into the peace process, Rowland flew Dhlakama to Botswana for a 4 July summit with Mugabe, Botswanan premier Quett Masire

The Impact of Drought

While the 1992 drought placed a great strain on both Renamo and the government, it was hitting the Mozambican population hardest. With increasing numbers of Mozambican refugees crossing the country's borders in search of food and safety, Mozambique's neighbours were also increasingly concerned. In addition, the extensive agricultural activities of Lonrho were severely affected by the drought, a problem compounded by the increasing difficulty of recruiting staff to work in a war zone. In short, the drought greatly strengthened determination throughout Southern Africa to end the conflict soon.

and US Ambassador David Passage. This meeting witnessed a significant mood shift, increasing the likelihood of a face-to-face Chissano-Dhlakama summit. Dhlakama gave Mugabe a document containing the 17 articles from Mozambique's 1989 draft constitution with which Renamo disagreed. Mugabe pledged that his government would assist Renamo in its transformation into a political party. As an immediate sign of good faith, an interview with Dhlakama was broadcast for the first time on Zimbabwean television.

At six in the evening of 3 August, the Lonrho corporate jet arrived in Rome from Nairobi bringing Dhlakama, Vicente Ululu and the rest of the Renamo delegation. Chissano and his delegation arrived the next day, as did Mugabe. The four mediators of the Rome talks met briefly with each party shortly after their arrival. Mugabe told them that Chissano had asked him to get involved with the peace process in January. Chissano, for his part, said he was in Rome because Mugabe had asked him to come.

Mugabe took charge of the talks on 4 August, leading the first summit session at Chissano's hotel. From midnight until six in the morning, Chissano and Dhlakama, joined only by Mugabe and Rowland, started a slow but necessary dialogue. As tiredness set in, Chissano compromised and an agreement was finally reached on the

constitution and on Dhlakama's personal security. The next day, an official session took place at which Botswana's Foreign Minister Gaositwe Chiepe was also in attendance. This meeting resulted in an historic handshake between Chissano and Dhlakama with a commitment to accelerate the pace of negotiations.

Immediately after the handshake, drafting sessions on the text of a joint declaration commenced. The deal that emerged was that a ceasefire would not come into force until after the parliamentary assembly in Maputo had ratified the commitments made as part of the Rome peace process. On 7 August, a declaration of intent to sign a ceasefire in early October was signed by both sides.

After the summit declaration was signed, Chissano went on to thank "all those who directly or indirectly contributed toward the holding of this historic meeting, notably our friend 'Tiny' Rowland, whose valuable work must not be forgotten; he facilitated contacts, gave advice, and helped find ways to ensure the meeting would be held." Dhlakama expressed his own commitment to peace and democracy. He thanked all the mediators, as well as Presidents Moi and Chissano, and also said "We must not forget our private friends, notably Mr. 'Tiny' Rowland, who worked very hard for this."

Despite the progress achieved at the summit, by September it had become apparent that the peace process in Rome was again foundering. Neither delegation appeared to have the mandate to deal with outstanding disagreements concerning military issues and the interim administration of Renamo-controlled zones. Sant' Egidio held a prayer meeting in Brussels on 13 September, attended by Mugabe. The president then met twice with the mediators to discuss the impasse. After this encounter, Mugabe again called on Rowland to facilitate a second Chissano-Dhlakama summit, this time in Gaborone, Botswana on 18 September. Rowland flew Dhlakama from Nairobi to Gaborone on his corporate jet. Mugabe, having made the arrangements, stayed at home and encouraged President Masire to host the meeting.

Some Quantifiable Costs to Zimbabwe of South African-supported destabilisation 1980-89 (at average annual exchange rates)	
	\$ US million
Additional freight costs	824
Locomotive hire from South African Transport Services	25
Truck losses/costs	7
Fuel losses/pipeline costs	6
Sabotage (quantified)	91
Sabotage (estimated)	30
Refugee maintenance	8
Additional defence costs	1,853
TOTAL	2,844
This figure does not include lost investment and tourism, increased prices of goods in Zimbabwe, less competitive exports, additional police and security costs, missed opportunities for development, etc.. Nevertheless, the figure still exceeds the country's 1989 external debt	
(Source: Johnson, P. and Martin, D., 1989, <i>Apartheid Terrorism, The Destabilisation Report</i> , Commonwealth Secretariat in association with James Currey, London)	

On 19 September, Chissano and Dhlakama were installed in the penthouse suite of a Gaberone hotel. Rowland himself regarded this meeting as crucial, telling both men "you can have whatever you want to drink or eat, but you can't come out till you have reached agreement." He sat outside the door until 5.30 a.m. the following morning when the leaders finally emerged, claiming to have reviewed the issues referred to them by the mediators and to have reached a general understanding. At this point, the delegations in Rome were instructed to work out the final text of a peace agreement.

The Final Leg

On 28 September, Dhlakama wrote to the mediators indicating that there were several 'very delicate' matters that still needed to be

resolved. The mediators issued a press release the following day, urging Dhlakama to come to Rome to sort out his final differences with Chissano. On his arrival in Rome late on 1 October, Dhlakama started to make other demands and appeared lonely and isolated. In an effort to bolster his spirits, Rowland dispatched his jet to Lisbon to collect Dhlakama's wife and children. Rowland's wife went shopping in Rome for toys for the children.

With Dhlakama, Chissano and Mugabe all in Rome on 1 October, both delegations began a line-by-line review of the mediators' proposals. Dhlakama and Chissano would only meet face-to-face when all had been agreed. Throughout the next two days, the mediators moved from delegation to delegation trying to reach a compromise. The Renamo leader continued to appear insecure, however, and started demanding an end to Zimbabwe's role in the final negotiations.

By the end of the next day, only Rowland seemed able to get through to the Renamo leader. With Presidents Mugabe and Masire showing increasing impatience and Mugabe starting to pack his bags, Rowland intervened, pleading that having got so close to an agreement, it was surely worth waiting a short while longer to conclude it. Shortly before midnight on 3 October, Dhlakama finally agreed to the texts of the accord. On the morning of 4 October, the final protocols were complete and the General Peace Agreement was signed.

Rowland entered the Mozambican peace process in 1989 employing bluff and a vague agenda to persuade regional leaders that their adversaries were prepared to reach a settlement. Before long, a seemingly unlimited supply of money and the use of Lonrho's aircraft to transport Renamo had helped to build up confidence and accelerate the pace of the peace process. Without Rowland's assistance, the Rome talks might well have dragged on at additional financial and humanitarian cost. It is to his credit that, at the end of the day, Rowland was the only person Renamo leader Dhlakama trusted for advice. While Rowland's initial involvement in the peace process undoubtedly stemmed from com-

mercial self-interest, it appears that Rowland quickly became personally engaged in the search for a settlement. By 1992, the time and resources he was spending far exceeded anything he could hope to recoup commercially.

Cashing in on the Accord

As the peace process progressed, so did Renamo's financial demands. In December 1991, the rebels were asking for US \$3 million as a condition for their co-operation. In mid-1992, they requested US \$7 million from Manuel Balhosa, a Portuguese businessman who had owned Maputo's oil refinery during the colonial period, as well as another US \$6 million from Lonrho. The rebels claimed they needed these funds to transform themselves into a political party.

The final Renamo pre-condition before the peace agreement was signed also involved a demand for a significant sum of money. The relationship between Dhlakama and Rowland cooled dramatically at this point, but agreement was eventually reached on a figure of US \$6-8 million, with the exact amount dependent on continued Renamo adherence to the peace accords. Lonrho also helped out with Renamo's demand for housing in 1993, putting the Cardoso Hotel in Maputo at Renamo's disposal and providing a fleet of vehicles to transport its people. This top-class hotel was closed to the public for more than a year.

While commercial interests played a key role in funding Renamo's political transformation, the Italian government also chipped in considerable sums of money to help build peace. As early as 1984 the Italian government had been in touch with Renamo to seek the release of Italian citizens kidnapped by the rebels. Protection payments against further attacks and abductions were made at this time. The Italian government later hosted both delegations throughout the 27 months of the Rome talks, providing extensive financial incentives and gifts to Renamo in particular in order to keep it engaged in the peace process.

Supervision and Surveillance

The role of the Italian government was not simply financial. Keen to ensure the success of the Rome talks, it closely monitored their progress. Its intelligence service kept tabs on the discussions at Sant' Egidio in addition to conversations in hotel rooms, telephone calls and fax traffic. This placed the Italians in a good position to anticipate negotiating log-jams and to understand tactical manoeuvres by both the government and Renamo delegations.

Premier seats at the opening World Cup football match in June 1990 between Argentina and Cameroon were an initial incentive for both delegations to commit to talks. Italian 'hospitality' also included shopping trips to fashionable Rome stores where Renamo's delegates were outfitted in designer suits and shoes. When Renamo rang up US \$60,000 in telephone bills between January and July 1992 alone, the Italians met the costs. In 1992 the Italian government even paid the flight costs of Renamo's London lobbyist, a film crew, and exiled Renamo supporters to attend the rebels' 'Second Congress' in central Mozambique, despite the fact that it was mostly a public relations event.

By the time of the signing of the Rome accord, the Italian government had spent some US \$20 million on the peace process. However, few 'blank cheques' had been given; there were always strings attached. As an Italian official noted, "With Renamo it was simple. We found out what they wanted, and then provided it with conditions attached. For example, Dhlakama wanted a satellite telephone. We purchased it, put it in a cupboard and showed it to him. We made it clear that he would get it in return for signing one of the protocols. He came back several times to have a look at it before deciding to sign."

While Frelimo needed less urging to sign the final peace settlement, similar tactics were used with them to ensure a role for the Italians in the post-war reconstruction of Mozambique. The generous aid pledges made by the Italians also spoke of their

"There is no democracy without money"
- **Raul Domingos, chief Renamo negotiator, 16 June 1992**

"I had a bag full of cash for eventualities. Demands came at all hours. We needed to be flexible."
- **Italian Diplomat, August 1994**

"Money certainly helped make peace"
- **'Tiny' Rowland, September 1997**

Renamo leader
Afonso
Dhlakama (right)
with 'Tiny'
Rowland after an
informal meeting
with President
Chissano, Rome,
August 1992

Joel Chiziane/AIM



intentions to secure Mozambique as a friendly economic gateway into the Southern African region as a whole in the face of economic competition from other European nations, including Portugal.

Italian financial support for Renamo became more formalised in December 1992 when the collapsing Italian government put its signature to a deal which would provide the rebels with US \$15 million to assist its transformation into a political party. By March 1993, having not received the payments he had been promised, Dhlakama leaked details of the agreement to a group of European parliamentarians. However, little money ever materialised. In the post-war period, public and private requests for funds would remain a characteristic feature of Renamo's external relations, much as they had been during the war.

Loose Ends

Mozambique's war and peace process illustrates well how big business can influence the direction and level of violence for commercial gain and, where it makes good economic sense, bring it to a halt as well. This raises many questions about the degree to

which the 'commercial' logic of peace-making is compatible with the longer-term interests of social and political stability in war-torn societies. To what extent did the enormous protection payments made to the rebels during the war enable the insurgent group to sustain its activities? Did the financial payments made during the Mozambican peace process actually hasten the signing of a peace agreement, or might they also have delayed it?

The role played by financial payments in securing Mozambique's peace settlement is in many ways key to understanding why Renamo's leadership found it worthwhile to fight for so many years in the absence of a coherent social programme or ideology. While it is clear that financial incentives did play a positive role in bringing about an end to Mozambique's war, there is also some indication that once Renamo realised the huge potential for generating funds Dhlakama adopted a strategy of stalling in order to maximise his financial gains. Should Renamo fail to achieve a substantive political role in Mozambique in the near future — which seems likely given Frelimo's continuing dominance of the political system — this raises the question of how its co-operation will be paid for the next time round. ■