PART II

ECONOMIC PERSPECTIVES
Hug me, hold me tight!
The evolution of passenger transport in Luanda and Huambo (Angola), 1975-2000
Carlos M. Lopes

Introduction

Angolan society went through marked changes following independence in 1975. The period 1975-1992 was characterized by single-party rule on the basis of a socialist ideology. In 1992, a new constitution introduced multipartyism but failed to end the civil war, which had erupted at independence and continued until 2002 and had a clear impact on the country’s economic and social structures. Violence displaced many people, disrupted transport and the movement of goods, destroyed infrastructure and increased poverty. During single-party rule, economic activities were strictly regulated by various administrative mechanisms that after 1992 gave way to a transitional process towards a market economy. Structurally, economic development following independence resulted in a decline in production in the non-oil sectors, a sharp fall in employment in the formal economy, a deterioration in the government’s financial position, high inflation and debt, and the development of a substantial black market. Parallel economic activities developed in this context, which after 1987 began to assume the characteristics of a steadily expanding informal economy.\textsuperscript{1} In social terms, 

\textsuperscript{1} A parallel economy is associated with activities not socially accepted in an economy controlled by the state and marked by centralized regulation. Conceptually, this differs from informal economic activities, both in character and context. See Footnote 6 below. The progressive transition to a market economy softened state rigidity,