

In support of efforts towards reconciliation with the UNITA, the MPLA government recently proposed a separation of the party from the government, although this has yet to be implemented.

Angola has the potential to become one of the wealthiest countries of Africa. It has large oil reserves, huge hydroelectric potential, valuable minerals and vast agricultural lands. However, its economy has reached an advanced state of dislocation as a result of armed conflicts that continue to plague the country. The only bright spot is petroleum production, which accounts for more than 35 per cent of gross domestic product (GDP) and about 90 per cent of total exports.

Angola has initiated some limited rehabilitation programs which it hopes to expand when the military conflict ends. Recovery is expected to be a long process.

Foreign Relations

The relationship between the U.S. and the Angolan government has been consistently strained over the years. However, Angola and U.S. companies have developed close and important relations. Many Western countries have recognized the MPLA government and have good relations with Angola. Its relationship with Brazil is close and that with Portugal has recently improved. Angola's relations with Soviet bloc countries and Cuba are very close, but this does not prevent it from maintaining its main economic links with the West.

Relations with Canada

Canada recognized the MPLA government in 1976. Since then, Canada has continuously supported Angola's sovereignty and territorial integrity and efforts for the attainment of peace and national reconciliation. Canada has good relations with Angola, and there is mutual interest in their further development, particularly in economic sectors.
