



# Mobile phone companies hit in price war

Zimbabwe's mobile phone companies have been forced to reduce prices by 900% as the government spreads its price war to all sectors of business.

By [Lebo Nkato](#) 6 Jul 2007

Harare - In an interview Thursday, a spokesperson for Econet Wireless said: "We were charging Z\$7 000 per minute. The price has been reduced to Z\$500 and it becomes Z\$700 after tax." Other operators have been given the same order to reduce their prices.

Industry and Trade Minister Obert Mpofu, who is also the chairman of the Cabinet Taskforce on Price Monitoring and Stabilisation ordered businesses last Tuesday to slash prices by half.

He was defied, and shops and other businesses started reducing their prices only after police made arrests following a speech by Mugabe last Thursday during the burial of Brigadier-General Armstrong Gunda at the National Heroes Acre.

"The nonsense of price escalation must come to an end immediately. Tinokuteverai. Ende hausi mutambo uchaitwa mutambo wakanaka (We will follow you. It is going to be a rough game)," Mugabe said.

"Ende isu hatimbofa takabvuma kuti takurirwa panyaya iyoyi nematactics ema British (We will not die ever having conceded to the British tactics over this matter)," Mugabe said departing from his prepared speech

"Tinogona kuritamba futi bhora racho zvakati nakei. Ende tichigona kunwisa nerough play (We can also play the game, and play it very well. There will be a stench of rough play.)"

The slash in prices saw a stampede by people buying goods to hedge against shortages as basic commodities began disappearing from shelves in most shops.

To avert the crisis, the government announced Wednesday that it had outlawed bulk buying.

Two weeks ago, the state owned *Sunday Mail* attributed the price hikes to a number of countries and people it said were behind the so-called regime change agenda, including outgoing United States ambassador Christopher Dell.

Dell had said inflation would reach 1,5 million by year-end due to mismanagement and misrule and in the process see the government "committing regime change on itself."

Speaking at a function to mark his country's 231st independence anniversary on Wednesday, Dell said his successor would continue criticising Mugabe.

The state-run *Herald* newspaper Thursday quoted Mugabe's spokesman George Charamba describing Dell as a "roguish ambassador." Charamba also said the government expects Dell to be out of the country by July 12.

Article by courtesy [New Zimbabwe](#)

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