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ANGOLA

BRIEFS

SAVIMBI ASKS EEC AID--The leader of the UNITA movement in Angola, Dr Jonas Savimbi, has appealed to the Angolan MPLA Government for immediate peace talks to end the 11 years of civil war. Dr Savimbi told a meeting of European parliamentarians in Strasbourg that he needed their help to mobilize international opinion to bring the Angolan Government to the negotiating table with UNITA. He said that the civil war was in danger of destroying Angola. [Text] [Johannesburg Domestic Service in English 1500 GMT 22 Oct 86 MB] /6662

RECENT FAPLA OFFENSIVES REPORTED--More than 170 UNITA bandits were killed by FAPLA combatants stationed in Moxico Province during September and early October 1986. In the offensives carried out by FAPLA, [words indistinct] and several documents and assorted war materiel were captured, including 55 AK-47's, two 60-mm mortars, thirty two 60-mm mortar shells, and 2 anti-aircraft missiles. [Text] [Luanda Domestic Service in Portuguese 0500 GMT 17 Oct 86 MB] /6662

CSO: 3400/237

BOTSWANA

COUNTRY DESCRIBED AS SUCCESS STORY IN AFRICA

Johannesburg THE STAR in English 30 Sep 86 p 14

[Article by John D'Oliveira]

[Text]

Twenty years ago today the British flag was struck in Gaborone and another apparently worthless piece of Africa became independent.

Botswana's half a million people were scattered over 582 000 sq km of largely desert land and the country's only apparent economic asset was its beef industry.

However, even this industry was severely battered in the immediate post-independence years by severe drought.

A British minerals survey in 1965 found little prospect of profitable mining activity and it seemed that land-locked Botswana would remain an African backwater eking out its existence on foreign hand-outs and whatever its citizens could earn in neighbouring South Africa.

However, in the 20 years that have followed, Botswana has confounded the sceptics, silenced most of its critics and has offered the world a rare example of a post-uhuru African success story.

Today Botswana is a tiny island of tranquillity, steady economic progress and political sanity and, although there are dark clouds on the horizon, the country is better equipped than most in the Third World to deal with them.

Trade surplus

Despite a number of serious drought years, Botswana today runs one of Africa's few trade surpluses (now estimated at about R250 million), its central and commercial banks are rolling in money, its foreign currency reserves could pay for more than 20

months' imports, its government has savings equivalent to a year's budget (cash savings and loans to parastatal companies of about R1,2 billion) — and its foreign loan commitments are only about a third of these savings.

Its currency is much stronger than the once-mighty South African rand, its interest rates and its inflation rate are lower than South Africa's.

When Botswana decided to withdraw from what was then known as the Rand Monetary Area in 1976, there were confident predictions in South Africa that its neighbour would soon be back, looking for the security offered by the South African currency.

Today the Bank of Botswana has to take deliberate action to keep its pula from rising too far above the rand and thus distorting what is still Botswana's main economic relationship.

Botswana's dramatic economic turnaround is due almost entirely to a mineral bonanza following the discovery of copper/nickel, diamonds, coal, soda-ash, potash and sodium phosphate in the first few years of independence — and to conservative, sensible economic policies applied within the framework of a stable multi-party political system.

In its 1985/86 budget, the Botswana Government expects it will obtain R440 million from the mining industry, almost half its R850 million revenue for the financial year.

But, as Botswana enters its 21st year of independence, things are not perfect for its estimated population of about one million people, most of whom remain in the "informal" economic sector.

While government expenditure keeps rising, the country has reached a plateau in its earnings from the mining industry. Although there are still mineral deposits which can be exploited, a number of formidable problems will have to be overcome before the Government will benefit.

The cattle industry has done little to spread prosperity and development and there are people who believe that its expansion has contributed greatly to the advance of the desert.

Also, the mere fact that the Botswana banks have so much money is a reflection of the country's problems in getting development projects under way — largely because of serious shortage of trained personnel and of entrepreneurs.

Political power in Botswana remains in the hands of the essentially conservative Botswana Democratic Party which took 28 of the 32 seats in the country's new Legislative Assembly in the 1965, pre-independence elections and which today still holds 28 of the 34 seats in the Botswana National Assembly.

However, the comparatively radical Botswana National Front is gaining support steadily in the urban areas and its men now fill five seats in the Assembly — including both Gaborone North and Gaborone South.

The BNF also controls the Gaborone City Council and is clearly finding increased support among the country's civil servants, its new breed of white-collar workers and among its educated elite.

It still has a long way to go before it can threaten the BDP, but there are people in Gaborone who wonder how Botswana's showcase multi-party democratic system will cope with a real threat to the government of the day.

The darkest cloud on the Botswana horizon remains South Africa.

In a number of senses, Botswana holds the strategic key to Southern Africa.

It has borders with South Africa, Namibia, Zimbabwe and Zambia and it could provide guerillas or an invading army with a jumping off point within a few hundred kilometres of South Africa's industrial, commercial, financial and mining heartland.

While the Botswana Government says that it is doing everything in its power to prevent the African National Congress, the Pan Africanist Congress and Swapo from using its territory for their "wars of national liberation", the South African Government insists that Botswana could do more.

Transport infrastructure

The South African Defence Force has invaded Botswana to destroy alleged ANC installations on two occasions in the last few years.

And, although Botswana has a railway linking its major centres with Zimbabwe, for all practical purposes, it has to depend on the South African economic and transport infrastructure.

Botswana knows that it will suffer if sanctions damage the South African economy and its official standpoint on sanctions is that it has neither the capacity to impose sanctions on South Africa nor the capacity to stand in the way of those who wish to do so.

However, as Southern Africa polarises, as economic measures and counter-measures begin to take effect and as violence increases, Botswana will find itself caught in the middle, squeezed both by South Africa and the forces which seek the overthrow of the white government.

If economic development was the challenge of Botswana's first 20 years, then sustaining that development through years of change and turmoil in Southern Africa is going to be the major challenge of the next 20 years.

ETHIOPIA

BRIEFS

WFTU BOARD MEMBERSHIP--(ENA)--Comrade Tadesse Tamirat, member of the CC of the WPE and Chairman of the Ethiopian Trade Union (ETU), returned here yesterday from Berlin, German Democratic Republic after attending the 11th conference of the World Federation of Trade Union (WFTU). Comrade Tadesse, who led a five-man delegation of the ETU said that the conference elected Ethiopia and Benin to be bureau members and vice-chairmen of the union from Africa. Comrade Tadesse pointed out on arrival that the conference held from September 16 to 22, 1986 was opened by Comrade Erich Honecker, General Secretary of the Central Committee of the Socialist Unity Party of Germany and Chairman of the Council of State of the German Democratic Republic. The WFTU conference is conducted every four years. The recent conference was attended by over 1,014 representatives of workers from different countries of the world, Comrade Tadesse said. [Excerpts] [Addis Ababa THE ETHIOPIAN HERALD in English 27 Sep 86 pp 1, 3] /9317

CSO: 3400/256

GHANA

ROAD, BRIDGE CONSTRUCTION PROJECTS

Accra PEOPLE'S DAILY GRAPHIC in English 29 Sep 86 p 6

[Excerpt]

THE government has so far invested more than 3.5 billion cedis on 14 major on going road and bridge development projects throughout the country.

In all 17 billion cedis have been estimated as the total cost of these projects.

They are the Kumasi-Tepa Junction road, Kumasi City roads, Anyinam-Kumasi road pavement overlay, Yapei-Morno road and bridge approaches and the White Volta bridge approaches.

Others are the Axim-Mpataba-Elubo road, Daboasi Junction-Takoradi road, Yamoransa-Bekwai road, Tepa Junction-Sunyani road, Accra City roads and the Kaneshie-Mallam main road.

The rest are bridges on rivers Ankobra, Jumoro, Iture, Dadieso and Ejuso including assembly and steel bridges.

This was disclosed by Mr J. V. Augustt, Deputy Chief Executive Development Department of the Ghana Highway Authority at a workers durbar held in Accra.

/9317
CSO: 3400/212

GHANA

BRIEFS

COCOA PRICES ANNOUNCED--The Ghana Cocoa Board wishes to announce for the information of the general public that purchases for the 1986/87 Main Crop Cocoa Season will commence on Friday, October 3, 1986. The producer price to be paid at all buying centres will be ¢2,550 per load of 30 kg for grades I and II cocoa beans naked ex-scale or ¢5,312.50 per bag of 62.5 kg net. [Text] [Accra PEOPLE'S DAILY GRAPHIC in English 27 Sep 86 p 4] /9317

EGYPTIAN COTTON EXPERTS--Ghana is to benefit from an Egyptian technical assistance cotton expert attached to the Ghana Cotton Company. (GCC) said ten Egyptian experts would soon arrive in the country to help in extension services to farmers. He was addressing the annual meeting and election of officers of the Cotton Growers Association. Dr Sallouma advised farmers to ensure that they used high-yielding seeds. [Text] [Accra GHANAIAN TIMES in English 26 Sep 86 p 1] /9317

MUSLIMS GET NEW EXECUTIVES--The Sefwi Wiawso District branch of the Ghana Muslims Representative Council (GMRC) has elected a new executive body with Mallam Mohammed Oppong as chairman and Mallam Issah Aberkah as his vice with Mr C.B. Tawiah as the secretary. The elections were supervised by Alhaji Ibrahim S. Darpoh, deputy national secretary of the GMRC. He appealed to all muslims in the area to co-operate with the new executive and to engage in productive ventures such as farming. He further asked them to support the executive financially to build an English and Arabic school in the area. Mallam Oppong, the new chairman, assured the national executive of the full support of the Muslims in Sefwi Wiawso and thanked them for sending the team to supervise the elections which had been postponed four times. He called for members support for the executive's effort to promote Islamic education in the area. [Text] [Accra GHANAIAN TIMES in English 27 Sep 86 p 5] /9317

PLIGHT OF REFUGEES AT FADAMA--The Humanitarian Care and Relief Organisation has appealed to the Government to give the necessary backing to charity organisations to rehabilitate destitutes in the society especially refugees from Chad and Mali. The organisation whose main aim is to mobilise the rural communities for self-help projects has described the plight of refugees at Fadama as a threat to the lives of the people in the community. According to Mr Kwesi Attah, founder of the organisation, most of the refugees are suffering from tuberculosis and skin diseases. They sleep on bare floors in dilapidated or uncompleted buildings. Mr Attah disclosed that in conjunction with the Red Cross and Social Welfare Department, the organisation donated three hundred bags of beans and five bags of fish powder to the refugees. [Text] [Accra PEOPLE'S DAILY GRAPHIC in English 27 Sep 86 p 8] /9317

KENYA

1987 FRG FINANCIAL ASSISTANCE ANNOUNCED

Nairobi THE KENYA TIMES in English 7 Oct 86 p 1

[Article by Henry Chui]

[Text] The Federal Republic of Germany will, under financial cooperation, give the Kenya government a soft loan of shs. 720 million for various projects.

Repayment of the soft loan will be within 50 years including a ten year grace period at 0.75 percent interest per annum.

The commitment was made by the German government after negotiations between the two countries over the 1986-87 period which took place in Nairobi between October 1 and 5.

The Kenyan delegation was led by the financial secretary in the Ministry of Finance, Mr J.W. Njoroge, while the German side was led by Dr W. Preuss, who is the director for Africa Federal Ministry for Economic Co-operation.

According to a press statement, as in previous years, emphasis was put on support for projects in the agricultural and private industry sectors.

Besides co-financing an agricultural programme under the World Bank's Special Africa Facility with an amount of shs. 200 million, the following projects will be supported: road gravelling unit including pothole repair unit (additional funds) credit line for Kenya Industrial Estates, Kenya Railways Telecommunication project (additional funds) Timboroa-Eldoret road. Kericho sewerage scheme financial contribution to Small Enterprise Finance Company and rehabilitation of commercially oriented enterprises through Kenyan financial institutions.

Under technical cooperation funds provided as grants commitments amounting to shs. 184 million were made.

With these funds various on-going projects of technical co-operation in the sectors of water development, applied human nutrition, agriculture, settlements as well as advisory assistance to the Kenya Institute of Management will be financed.

Additional projects will be supported out of a special fund with an amount of shs. 24 million and will include army worm control.

/9317

CSO: 3400/231

KENYA

BUDGET RATIONALIZATION CAUSING RIFTS WITH DONOR NATIONS

Nairobi FINANCIAL REVIEW in English 29 Sep 86 pp 3-5

[Text]

Not surprisingly, Kenya is mentioned in the recently published World Bank annual report as one of the countries in the Eastern and Southern Africa region, as one of the countries that has in recent years adopted difficult structural adjustment reforms. No doubt, the country has in the last five years undertaken reforms which have been supported by structural adjustment loans from the World Bank and standbys from the International Monetary Fund (IMF). But what reforms have been implemented and what has the government found too difficult to adopt? And how have relations between the two institutions affected the country's relations with her bilateral donors?

Since 1980 when the bank and the International Monetary Fund (IMF) started major operations in Kenya, the economic thinking of monetary and fiscal authorities in the country has been getting closer and closer to that of the World Bank and the IMF, the country's most influential lenders, and the government has, in public statements and actions shown increasing willingness to take firm decisions toward implementing reforms advocated for by the two institutions. Before 1980, monetary authorities in Kenya viewed some of the measures advocated for by the two institutions, such as devaluation, as a form of confiscation and had sought to "maintain the integrity of the Kenya Shilling". The fund was criticised as inflexible and insensitive to local problems and in the 1976/77 financial year, for example, Kenya was denied an extended credit facility by the

Fund after the government exceeded the credit ceiling agreed upon with the fund.

But things have changed. The 1980s ushered a change of attitude by Kenyan authorities and the government relations with the Bretton Woods institutions, as the Bank and the Fund are sometimes referred to is placed. Kenya continues to show that it is willing to accept the proposition that without policy reform, aid has become difficult to mobilise. Informed sources say authorities in Kenya no longer contest the principle of conditionality (conditions for loans) and view the multilateral lenders as potentially useful allies in strengthening the hands of the Treasury in an effort to enforce financial discipline in the economy.

When the two institutions started major policy-based lending in Kenya in 1980, the country was faced with acute balance of payments problems which the Bank and the Fund believed were caused by ever increasing public expenditures, poor budgetary policies and misplaced priorities. Huge expenditures had led to a situation whereby the overall budgetary deficit rose to an equivalent of 9.6 per cent of the Gross Domestic Product 1980/81, and an overall credit expansion to 17 per cent of the stock of money and quasi money at the start of the fiscal year. The budget deficits had pushed the prices of goods and services high, compared to prices abroad and the competitiveness of exportable goods abroad had weakened while imports were favoured because they were cheaper at local currency prices. As a result the Bank and the Fund proposed

structural adjustment reforms which the government incorporated in the Sessional Paper No.4 of 1980 that outlined the adjustment efforts the government was to undertake. The Bank supported the reforms with a structural adjustment loan of US \$70m and the fund provided standby arrangements covering financial years 1980/81, 1981/82, and subsequent years. The IMF proposed short term policies aimed at controlling domestic demand such as tight money supply, high interest rates, credit restrictions, flexible exchange rates, increased taxation, public expenditure cuts and so on; while the Bank proposed supply side reforms covering a wide range of measures aimed at giving prices, markets, and the private sector a greater role in promoting increased production of goods and services. The World Bank reforms also called for reduction of administrative intervention in the setting of prices, rural urban balance, price decontrol, removal of marketing monopolies, removal of import restrictions and yearly reviews of producer prices of agricultural commodities.

Kenya began adopting the reforms. Today the bank views Kenya as a showcase for a success story on structural adjustment in Africa. The head of the World Bank's mission in Nairobi Mr. J.W. Adams told *Financial Review* last week. One of the most contentious issues Kenya had to deal with was the adoption of flexible exchange rate policy. From 1983, the fixed exchange rate was abolished and the government decided that it would, henceforth, adjust the exchange rate periodically, taking into account movement in relative prices in the country and its main trading partners, the country's balance of payments needs, and the movements in key international currencies. And unlike in the past when the government undertook to adopt reforms in the immediate period after the 1973 oil prices but later abandoned them as soon as the coffee boom came, the government has displayed unwavering commitment to pursuing the new exchange rate policy.

Between March and June this year, for example, the shilling was adjusted by 3.8 per cent against the major currencies with the highest depreciation of 11.95 per cent against the Japanese yen. And since August, the Central Bank has adjusted the shilling against the major currencies

twice, the last of which was done last week when the Central Bank adjusted it against the IMF special drawing rights (the SDR), effectively devaluing the shilling by 0.6 per cent.

Another structural adjustment measure Kenya has adopted, is yearly reviews of producer prices of agricultural commodities. Incentives in the agricultural sector have been maintained in the context of the yearly reviews and producer prices for maize and wheat, the country's major cereals, were raised by 82 per cent and 64 per cent respectively between 1980 and 1984.

In the fiscal sector, the government's commitment to stabilisation reforms has been on the reduction of the budget deficit and public expenditure cuts. From a deficit of nearly 10 per cent of the gross domestic product (GDP) in 1980, the figure reduced to 4.6 per cent of the GDP in the 1983/84 fiscal year and 4.1 in the 1984/85 annual budget. Continued adjustment in the fiscal area has continued to lower the deficit even after the recent recovery of the economy which has been prompted by higher coffee earnings and the fall in oil prices. The minister for finance, Prof. G. Saitoti announced in his budget speech this year that the government's target was to reduce the deficit to below four per cent of the GDP on current price and revenue projections. Saitoti said that even if the windfall benefits the country expects to gain from the favourable coffee prices and low oil prices turn out to be larger than the government projected, the government would use the extra gains, not to increase expenditure, but to reduce the deficit further.

The government's willingness and commitment to adopting structural adjustment reforms has not, however, been limited to tight expenditure policy. In recent years, fiscal and monetary authorities have displayed the ability to adjust the fiscal targets as required by turn of events.

Reforms have also been undertaken to prevent the drain of budgetary resources by parastatals and other public enterprises. The government has continued to monitor their activities closely. Last year, the government appointed an auditor-general in charge of parastatals and recently, parliament enacted legislation establishing a state corporations department which will act as a supra-parastatal

with powers to intervene in the affairs of any public enterprise. An investment division has also been created in the ministry of finance and planning to monitor all financial flows between the enterprises and the Treasury to facilitate repayment of loans and profits by public enterprises to the exchequer.

Kenya has also made considerable progress in putting together adjustment reforms which have facilitated the liberalisation of imports. A new import system was introduced in 1983 and since then, there has been a progressive liberalisation of the licensing system which has been helped by improvement in the foreign exchange reserves.

Despite what appears to be Kenya's steady adherence to reforms advocated for by the World Bank and the IMF in recent years, it has not always been smooth sailing. For example, after indicating that it was ready to privatise some of the public enterprises by forming a task force whose mandate was to among other jobs advise the government on how to sell some of the parastatals, the government two months ago disbanded the committee without indications that any of the public enterprises would be dismantled or put up for sale. Informed sources say the divestiture committee concentrated on reviewing the performance of the parastatals and recommending the methods the government ought to apply to secure better control of the institutions. The steam about divestiture and privatisation has ebbed and there is no more about privatisation and divestiture of parastatals pronouncement by government spokesmen.

One scenario that has arisen as a result of Kenya's interaction with the World Bank and the IMF is the interesting politics Kenya is currently involved in with her bilateral donors. One of the structural adjustment policies the government has recently declared is budget rationalisation. According to this policy, the government now says that it will only use money on projects that are productive and which bilateral donors will be required to select from a portfolio of priority projects selected by the Kenya government. Donors will no longer be allowed to show preference for specific types of projects they may wish to finance. Furthermore, the government now says that donors will be required to

finance 100 per cent of project costs since Kenya can no longer absorb large project costs.

Kenya feels that in the past the government allowed too many donors, including non-governmental organisations, to start too many projects and now desires to see a situation where only a few projects are approved and where resources are used more prudently. The government is insisting on 100 per cent donor financing of projects for two seasons; Firstly, such projects require that Kenya contributes part of the projects' costs before donors disburse their commitments. So when the country has a large share of projects costs to finance itself, donors have insisted that they can only disburse their commitments if Kenya continues its payments. This state of affairs holds up projects and recently, Prof. Saitoti told the visiting German minister for economic co-operation Dr. Volker Koehler, that when drought struck Kenya in 1984, the country was caught in an awkward situation because funds which were earmarked for co-financed projects had to be used to buy food. In addition to the difficulty that Kenya has in keeping co-financed projects from grinding to a halt, the country also feels that co-financing defeats the purpose of budget rationalisation because donors are usually unwilling to meet projects' recurrent costs.

However some donors are unwilling to accept the 100 per cent donor financing policy. For instance, Koehler said the proposal would not be acceptable to the German government as Germany still regarded co-financing of projects as viable. Adams, however, told *Financial Review* that the World Bank agreed with the 100 per cent donor financing policy. He said the bank viewed Kenya's new donor financing policy as a positive attempt to use budgetary resources more prudently and to fully exploit donor assistance. He said a lot of resources in the country had been divided to too many projects and that the budget rationalisation policy the government of Kenya has declared it will embark on was an attempt to use the budget instrument more productively and rationally.

Another policy which the government has recently pronounced and which bilateral donors are said to be financing unacceptable is the recent directive by

the government that foreign firms offer 51 per cent of shareholding to local investors. Adams said the policy was in line with the Bank's position on private sector development. In the past, the state has provided local shareholding in joint ventures with foreign firms. But now the government is saying that private investors be given priority in joint ventures and that they take majority interests. While most foreign embassy officials were unwilling to comment formally on these new government directives, it is clear that many of Kenya's bilateral donors find the proposal unacceptable. The German minister said at the press conference in Nairobi that Germany, one of Kenya's leading bilateral donors, felt that the ruling would stand in the way of the desire of the two governments to increase private sector co-operation between the two countries.

The question of expatriates is another bone of contention between Kenya and her bilateral donors. The German minister said he had raised with government authorities, Kenya's increasing tendency to supplant German experts from working in some projects in the country. Kenya has recently expressed concern over aid programmes that have large allocations for advisory services and experts and it is estimated that 40 per cent of the value of bilateral development

assistance in the country is eaten up in expatriate remuneration and advisory services offered by consultancy firms from donor countries. Adams said the bank's view was that Kenya was trying to exploit better, bilateral assistance because of the budgetary discipline it has adopted. As long as the debate becomes ideological, he added, the Bank will continue to regard it as an attempt to encourage donors to ensure that local consultants are utilised in projects.

The new structural adjustment measures the government of Kenya intends to pursue in the next 15 years are contained in the recently published Sessional Paper No.1 of 1986, and it remains to be seen whether the momentum of the use of monetary and fiscal measures in economic management which Kenya has displayed in recent years will be sustained. In the immediate period following the 1973 oil crisis, Kenya published Sessional Paper No.4 of 1975 on economic prospects and policies, stipulating adjustment reforms the government wanted to pursue. But as soon as the 1977 coffee boom allowed the country off the hook, structural adjustment reforms were abandoned and monetary authorities fell back to expansionary spending and large budget deficits.

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CSO: 3400/231

KENYA

KENYATTA INTERNATIONAL AIRPORT SECURITY INCREASED

Nairobi DAILY NATION in English 27 Sep 86 p 5

[Text]

New travel regulations have been introduced at all aerodromes in the country to tighten security.

A notice in yesterday's *Kenya Gazette* supplement says passengers and their luggage may be screened before boarding any aircraft.

The notice, signed by the Transport and Communications Minister, Mr Arthur Magugu, says the Director of Aerodromes declare by notice aerodromes at which screening shall be mandatory for passengers and their cabin luggage.

Any passenger who refuses to be searched shall not be allowed beyond the screening point.

The new regulations also prohibit passengers from entering an aircraft with firearms, ammunition, explosives, incendiary or any device considered dangerous.

The director is now empowered to refuse clearance to incoming passengers who decline to be searched or to have their cabin luggage screened.

Those entering an aerodrome waving base or any other restricted area may be inspected and all their possession checked.

Any person who is considered a potential threat to aircraft can now be barred from entering an aerodrome.

The director may require an operator at aerodrome to present a report either verbally or in writing on the security arrangements he has taken.

The Minister has revoked regulations formerly in operational in aerodromes and the Civil Aviation (Jomo Kenyatta International Airport) regulations of 1981.

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KENYA

LESS COFFEE AVAILABLE FOR AUCTION

Nairobi FINANCIAL REVIEW in English 6 Oct 86 p 24

[Text]

Until early next year when the next main coffee crop is expected, Kenya may be forced to reduce its offering at the weekly coffee auctions from the normal 45,000 bags due to a shortage of quality coffee. The only new coffee that will be available before then is the small and low quality "fly crop".

After last week's auction, brokers reported that the country's unsold coffee fell to around 221,000 bags, enough for only five weeks of normal exports. The Coffee Board of Kenya's liquoring department said that the current coffee millings are mostly grade AB and C, with little of grade AA. Auctioneers told traders that the offerings this month will be miscellaneous.

In last week's auction, the market trend remained firm but failed to maintain the previous week's high levels, as early October commitments are already satisfied. During the coffee year which ended last week, Kenya sold 123,000 tonnes of coffee, which was 26,000 tonnes more than the country produced in 1985. The suspension of coffee quotas in February this year has enabled the country to sell off surplus stocks from past years.

Meanwhile, in Tanzania, the minister for agriculture and livestock development, Mr. Paul Bomani, last week urged farmers in the country to produce more

coffee and take advantage of the suspension of coffee quotas. He assured the farmers that the increased producer coffee prices decided upon last June would be paid without delay. Bomani appealed to the farmers to set up new coffee nurseries and replace old coffee plants with new ones, adding that the government would spend Tanzania shs.300m to build two coffee plants in Mbinga and Mbozi to minimise transport costs to the Moshi curing plant. During the 1984-85 coffee season, Tanzania sold 45,725 tonnes of coffee worth two billion shillings, compared to 44,787 tonnes worth shs. 1.7b sold the previous year.

While coffee exports from Kenya and Tanzania increased last coffee year, Uganda's exports declined by 7,500 tonnes to a level of 144,000 tonnes. The country's co-operative and marketing minister, Mr. Chrispus Kiyonga, attributed this to the civil war which ended in January this year. Before the war ended, President Yoweri Museveni's forces cut off southern Uganda which accounts for about 40 per cent of the country's coffee crop and also smuggled coffee into neighbouring countries. Currently, the coffee market in the country is still strong and this is expected to prevail up to December, an official of the Uganda Coffee marketing Board said last week.

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LESOTHO

ECONOMIC COOPERATION WITH RSA GROWING IN SPITE OF SANCTIONS

Johannesburg WEEKLY MAIL in English 26 Sep-2 Oct 86 p 11

[Text]

LESOTHO'S new military government, headed by Major-General Justin Metsing Lekhanya, is coming to terms with ensuring the country's economic survival amid the increasing threat of trade sanctions by South Africa.

The two countries' economies are closely integrated. Lesotho is a member of the Southern African Customs Union and the Rand Monetary Union, which governs financial flow in the sub-region. South Africa dominates both.

Out of 300 000 foreign black workers employed in South Africa, nearly half (142 000) come from Lesotho.

They comprise 20-25 percent of the workforce on the mines and money sent home by Basotho migrants is estimated to provide 50 percent of the gross national product.

Despite the country's economic dependence, former Prime Minister Leabua Jonathan maintained an opposition to apartheid and a commitment to granting political asylum to South African refugees.

Lately the policy has changed. Since the coup last January, Lesotho has handed over almost 200 refugees to Tanzania and Zambia.

South Africa's partial blockade in January brought home the bitter truth of its dependence on the apartheid state.

Nine weeks after coming to power Lekhanya visited South Africa — one of the few African heads of government to do so in many years.

Talks with President PW Botha were preceded by ministerial contacts.

South Africa's counter-sanctions threats against its weakest neighbours have led to increased trade talks between Maseru and Pretoria.

One source estimates that every rand spent in Lesotho is "worth 80 cents to South Africa". In the nearby Free State town of Ficksburg, commercial activity is expanding at a rate of 30 per cent a year as a result of cross-border business.

One reason for Ficksburg's boom and the rapid acceleration of "capital leakage" from Lesotho is the rise of migrant remittances following pay rises in the South African mines.

Maseru's new government recognises the importance of this huge capital source. Recently it warned migrants in South Africa against taking part in industrial action organised by the Congress of South African Trade Unions (Cosatu).

Lesotho's business community is increasingly anxious about the conciliatory tone of Lekhanya's government towards South Africa and possible negative effects on international aid, which dramatically increased after the 1976 uprising in Soweto.

Jonathan carefully maintained a militant posture in the region to impress Lesotho's international creditors. Between 1966 and 1981 aid rose from \$8.6-million (R21.5-million) to \$48.4-million (R121-million), often on easy terms.

One objective of aid is ostensibly to reduce Lesotho's economic

dependence on South Africa, but there is scepticism that it can achieve this.

Instead it is speculated that this has drawn the South African business attention to the large sums of money now at the Lesotho government's disposal.

Growing economic co-operation between Lesotho and South Africa is indicated by the decision to go-ahead with construction of the \$1,3-billion Highlands Water Scheme. The scheme has been discussed for 20 years, but South Africa was not prepared to pay the price for the water which would have made the project viable.

The scheme will divert water for sale to South Africa from the upper Malibamatso and Orange Rivers (which rise in Lesotho) and generate enough hydro-electric power to meet Lesotho's own energy needs, currently imported entirely from South Africa.

The scheme involves building five storage dams, a 60-mile tunnel through the mountains, three power stations and a pumping station in the north.

It will boost Lesotho's economy immensely. Energy needs for industrial development will be assured, and from 1995 huge earnings

will accrue from water sales, while dam building will provide thousands of jobs.

The scheme will open many parts of the highlands, with lakes formed by storage dams providing for water sports and fishing and adding to holiday resort attractions.

Because of Lesotho's vulnerable position, attempts are underway to open up to the rest of Africa.

Last September a new jet-age airport — Moshoeshoe International — was opened. Finance came from the European Community, Finland, the OPEC Fund, African Development Bank, and the Arab Bank for Economic Development in Africa.

When fully operational the airport will handle short-range jets like the Airbus and Boeing 737. Lesotho Airways plans to connect with Lusaka, Harare and Nairobi. Air Zimbabwe, Air Botswana and Zambia Airways may extend their routes to Maseru.

If sanctions stop Western-based airlines flying to South Africa, Moshoeshoe International could become an alternative connection point to and from Jan Smuts and other South African airports. — Gemini News

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CSO: 3400/227

LESOTHO

ALLEGED COLLABORATION BETWEEN POLICE, RSA 'HIT SQUADS'

Johannesburg THE STAR in English 30 Sep 86 p 14

[Article by Gerald L'Ange]

[Text]

Recent allegations that South African hit squads have been attacking African National Congress members in Lesotho brought an illuminating response from the military government in Maseru.

Its immediate and dramatic reaction to the newspaper report of the allegations demonstrated the government's extreme sensitivity on the subject.

Representatives of the ruling Military Council had what is believed to have been an angry meeting with the Anglican priest who was quoted in the report and the next day he was flying out of the country on a one-way ticket.

The incident has highlighted the government's dilemma over the desire of the ANC to use Lesotho as a base for insurgency into South Africa.

While some members of the government may be sympathetic to the ANC, the military leaders accept that Lesotho simply cannot expose itself to South African retaliation — against which it is virtually defenceless — by aiding ANC subversion.

The potential power of such retaliation was demonstrated only too clearly by the border blockade last year, which was provoked by Pretoria's belief that the government of Chief Leabua Jonathan was sheltering ANC militants.

What angered the military government most about the "hit squad" report was the claim that the alleged squad was operating in collaboration with the Lesotho police. It was upset also by a suggestion that South African security forces were operating more freely in Lesotho now than before the

coup last January in which the military ousted Jonathan.

The ruling Military Council has been made sensitive about this by allegations that the coup was engineered by South Africa and that it has since been working closely with Pretoria.

The council has strongly denied that Pretoria had a role in the coup and this is accepted by diplomats and other independent observers in the absence of any evidence to the contrary.

The extent of the military government's co-operation with Pretoria is less certain. It clearly has closer relations with Pretoria than did Chief Jonathan's government, whose antagonism — and especially its apparent support for the ANC — led to the South African border blockade that may indirectly have precipitated the coup.

Pragmatic stance

According to government leaders in Maseru, the Military Council's stance is a purely pragmatic one, based on its view of Lesotho's best interests in the light of South Africa's economic and geographic stranglehold on the kingdom.

While opposing Pretoria's racial policies, it tries to avoid actions likely to provoke retaliation such as the border blockade and SADF raids on ANC targets in Lesotho.

There is little doubt that the military government has tried harder than the Jonathan government did to prevent the ANC using Lesotho as a base or corridor for insurgency into the Republic. There have been no more SADF raids — not openly, at

any rate — and Pretoria has made no further allegations of ANC operations from Lesotho.

But the military government has vehemently denied any official collaboration with any anti-ANC hit squads. Spokesmen say one of the main reasons for the coup was to rid Lesotho of death squads, either from South Africa or from the Kalashnikov-wielding youth leaguers of Chief Jonathan's Basotho National Party, who are blamed for many deaths and disappearances before the coup.

"The last thing we want now is more death squads," said one government leader.

The government's policy is to provide asylum for any genuine refugees from South Africa, but to quickly move to third countries those who might provoke attacks from South Africa. In practice this has meant virtually all of them.

But not all "refugees" who cross the border register with the government and the United Nations High Commission for Refugees (UNHCR).

"We have not got the capacity to monitor all the refugees," said a spokesman for the Office of the Military Council. "Neither do we have the capacity to monitor all the people who might want to come in and get rid of them."

"So the best thing is for them to go to another country of asylum which does not have the same problems as we do because of our geographic situation."

The spokesman said the plan to move incoming refugees as quickly as possible to third countries originated with the UNHCR. At present most are going to UNHCR refugee centres in Zambia and Kenya.

The UNHCR representative in Lesotho, Mr KO Doherty, said Lesotho's encirclement by South Africa put it in a "rather peculiar situation" as far as refugees were concerned, although it was not the only country in the world from which refugees were being moved in a hurry to avoid cross-border attacks.

He said 528 refugees from South Africa were registered last year and by the end of the year virtually all had gone to other countries. Since the beginning of this year about 250 had come in and at present only 20 were in the UNHCR reception centre.

Registered refugees

The question of whether refugees had an option to remain in Lesotho was described

by Mr Doherty as "a grey area". But for some time all those who had registered had chosen to move on from Lesotho to other countries, he said.

It is estimated that about 200 "resident refugees" have lived in Lesotho for several years and in some cases have set up businesses and married Basotho.

No estimates are available of the number of "unofficial" refugees who do not register and who remain in Lesotho. Whether the authorities always know how many there are is questionable.

It is among these people and the known "resident refugees" that any hit squads would seek targets.

The Lesotho government's policy is that any refugees remaining in the country must not engage in political activity that could cause friction with South Africa. But the extent of its control over their activities is another and more obscure matter.

Government spokesmen deny allegations that the Lesotho police have refused to investigate complaints by hit squad victims. The spokesmen say the police are investigating cases in which refugees have been attacked or have disappeared. They believe some of the attacks may have arisen from internal feuds within refugee groups.

The hit squads, if they exist, would operate in a murky area awash with rumour and in which the truth is difficult to ascertain without exhaustive investigation.

Observers have pointed out that hit squads probably would not need the co-operation of the Lesotho authorities. It would be fairly easy for them to cross the border, do their work and return without the authorities being aware of it until the victims were missed or their bodies found.

In other areas the military government appears not to have gone out of its way to placate Pretoria. The Communist bloc embassies that mushroomed in Maseru during the Jonathan era and which Pretoria would obviously like to see removed are still there and the government apparently has no intention of having them removed, although it would probably have no regrets if the subversion-prone North Koreans closed down their embassy.

The new government has continued Lesotho's customary denunciation of apartheid in international forums, although the rhetoric is not as strident as in Chief Jonathan's time.

LESOTHO

BRIEFS

FORENSIC LABORATORY SET UP--Mbabane--A former South African police forensic expert has been appointed as pathologist for the Swaziland Police. Dr David Berson will establish Swaziland's first police forensic laboratory at police headquarters in Mbabane. It will alleviate delay in drug and other trials caused by having to send samples to South Africa for analysis. Swaziland has been without a pathologist since the death last year of the former government pathologist, Dr M. Khare. Dr Berson has been attached to the South African Police for the past four years.--Sapa [Text]
[Johannesburg THE CITIZEN in English 11 Oct 86 p 13] /9317

CSO: 3400/227

MALAWI

ZIMBABWEAN DAILY NOTES BANDA'S DREAM OF 'GREATER MALAWI'

Harare THE HERALD in English 16 Oct 86 p 8

[Text]

IN the escalating conflict in north-central Mozambique, apartheid is playing out its survival strategy using an old man's dreams.

The increase in military activity by forces supported and largely equipped, by South Africa centres on the Malawi border area where large numbers of armed men were infiltrated late last month.

With increasing international pressure for an end to apartheid, including the threat of sanctions, Pretoria's strategy requires disruption of the Mozambique transportation system to maintain regional dependence on southern routes and ultimately control of its ports, if necessary through a change in government.

This strategy is implemented through a surrogate group called the Mozambique National Resistance, formed by Rhodesian intelligence and handed to South Africa just prior to Zimbabwe's independence.

Under the tutelage of South African military intelligence, it has grown considerably in size and strength. Reinforcements and equipment are often airlifted from South Africa or landed by sea along Mozambique's 2 500 km coastline.

A key player in this strategy is Malawi, heavily dependent on South Africa and the only African state to have formal diplomatic ties with Pretoria.

For more than 20 years the aging President of Malawi Dr Kamuzu Banda, has laid claim to all of Mozambique north of the Zambezi River and backed a number of groups opposed to the ruling Mozambique Liberation Front (Frelimo). This is his dream — a Greater Malawi encompassing northern Mozambique and giving his landlocked country access to the sea.

Dr Banda has often tried to win support for his concept of a greater Malawi. He has frequently spoken publicly and privately about his plans, stating that the people on both sides of the lake that he calls Malawi (and everyone else calls Nyasa) are the same people. He refers to the Mozambican port of Nacala as "my port".

Mozambique used to handle over 90 percent of Malawi's trade, through the ports of Beira and Nacala. Today it handles very little. Most of Malawi's trade transits Zimbabwe, Zambia or Botswana to South African ports.

Unfortunately for Malawi, Dr Banda's dream may become a nightmare. Mozambique's President Samora Machel has threatened to put missiles on their 1 600 km common border and — with Zimbabwe and Zambia — to impose an economic blockade.

Dr Banda's support for opponents of the Mozambique government reached a crisis point a few weeks ago when the leaders of those three countries flew to Malawi to warn him that it must stop.

At that meeting, Mozambican officials produced a dossier containing evidence of Malawi's support for the bandidos armados (armed bandits).

Among other things it contained photocopies of two passports issued to the MNR chief representative in Malawi. The Mozambican government has sought his extradition on at least two occasions, but to no avail.

The first passport number 360633, was issued by Malawi authorities on September 12 1983 in the name of Wilson Thomuseni, a "businessman", one of several aliases. The second passport, number 361824, was issued two weeks later on September 28 in his real name, Bernardo Alufai.

Alufai's most common alias is Jimo Phiri, the name which appears on many other documents in the dossier. These include a letter from Afonso Dhlakama, who was chosen MNR leader by Rhodesian intelligence in 1979 after his predecessor was killed. The letter gives details of weapons, ammunition and other support required from Malawi.

The dossier also includes letters and photocopies of passports of selected journalists who transited Malawi, a country normally extremely circumspect about the Press, on their way into Mozambique with the MNR.

One was a correspondent of the US magazine, *Soldier of Fortune*. Another was Lord Michael Cecil, son of the Marquis of Salisbury.

Confronted with the weight of evidence contained in the dossier, Dr Banda persisted in his denial of Malawi's involvement. President Kenneth Kaunda of Zambia, who is chairman of the Front-

line States grouping, countered, with some irritation, that Dr Banda could hardly deny involvement when his government had issued passports to a known MNR leader.

Dr Banda's dreams of a Greater Malawi stretch back as far as 1962. That year he visited Dar es Salaam, bearing an old Portuguese map, to try to persuade former Tanzanian President Julius Nyerere that Mozambique did not exist as a separate country and that all of Mozambique north of the Zambezi in fact belonged to Malawi.

Dr Nyerere refused to accompany Dr Banda on a tour to put his case to other African leaders or to Lisbon to see the late Portuguese dictator, Antonio Salazar.

"In a masterpiece of deception," Dr Banda's first foreign minister, Mr Kanyama Chiume, later wrote, "both Salazar and the Portuguese settlers convinced Dr Banda they would give him the northern portion of Mozambique in return for not

allowing freedom fighters (Frelimo) to pass through Malawi."

Two years later, when Frelimo began its fight against Portuguese colonialism, Dr Banda blocked their access to the same provinces where today the bandidos armados are causing the most serious disruption. Frelimo officials in Malawi were arrested, detained and some handed over to the Portuguese.

Throughout that war, and even after Mozambique's independence in 1975, Malawi supported a series of anti-Frelimo movements. The last of these, the Mozambique Revolutionary Party (MRP), merged with the South African-backed MNR in 1982. The MRP signatory to the agreement reached in Malawi was Jimo Phiri.

Meanwhile, the people of north-central Mozambique are engulfed in a war caused by apartheid's strategic plans for survival and the dreams of an old man.

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CSO: 3400/249

MALAWI

BRIEFS

EXILES DECLARE SOLIDARITY--A Malawian exile political party, the Socialist League of Malawi (Lesoma) has restated its solidarity with the people, governments and ruling parties of Zimbabwe, Zambia, Tanzania and Mozambique. In a statement issued after an emergency meeting in Nakonde, Zambia, over the weekend, the party condemned the apparent alliance between the government of President Kamuzu Banda of Malawi and the Pretoria regime. The party's central committee accused Dr Banda of using his country's membership of SADCC to consolidated South African dominance of other member states and suggested that the OAU and SADCC should expel Malawi under its present government. Doubts by the former Tanzanian president, Dr Julius Nyerere, on the wisdom of admitting Malawi to SADCC seemed to have been correct, said the statement. The party, which desires the overthrow of the present Malawian government, called on Malawians to rise against it. The statement urged officials of Malawi's diplomatic missions to rebel against their government. The party was for an egalitarian social system in Malawi. [Text] [Harare THE HERALD in English 16 Oct 86 p 5] /9317

CSO: 3400/249

MALI

CABINET RESHUFFLE, NEW PM POST ASSESSED

Dakar AFRICA in French Aug-Sep 86 pp 25-27

[Article by Saouti Haidara: "Where Is Moussa Traore Going?"]

[Text] The ministerial reshuffle which took place in Bamako at the beginning of June greatly resembled a smooth purge. The four most influential personalities in the government saw their portfolios taken away from them. Among them, three ministers of state: General Amadou Baba Diarra, the irremovable second-in-command for 18 years, who was in charge of the plan; Mr Oumar Coulibaly, who had the reputation of being the man who knew the most about the public finances of Mali after having managed the state portfolio for 12 consecutive years before being appointed to head State Enterprises; and finally, Mr Djibril Diallo, the first Malian "Centralist" who, after a noteworthy transfer to the general directorship of the RCFM [Mali Railroad Administration] had enjoyed a dazzling promotion when he was entrusted with the Ministry of Industrial Development and Tourism.

The fourth outgoing personality is Mr Alioune Blondin Beye, who has enjoyed exceptional longevity (8 years) at the head of Foreign Affairs and International Cooperation, a high-risk department. The official explanation given regarding these departures is the impossibility of carrying out government responsibilities as well as those inherent to membership in the BEC [Central Executive Office], the ruling authority of the single party, the Democratic Union of Malian People (UDPM).

In reality, one cannot help but to see a link with the campaign which is currently raging in the entire country against "corruption, nepotism, absenteeism, and illicit enrichment."

The starting point of this campaign was the fourth meeting of the National Council--the ruling authority between the two UDPM congresses. This meeting was dominated by two key questions: the moralization of public life and the search for a new dynamic to inspire the party by means of a national charter.

The secretary general of the party, General Moussa Traore, thus rang the alarm on the "very critical" economic situation that the country is going through, before calling on the members to help him by writing to him personally if need be--to flush out "the corrupt and the corrupters" wherever they are, even within his own entourage.

Since then, the denouncing, or indeed, the informing fever has taken hold of the entire country. It seems that serious party members have taken the president at his word by writing him to implicate personalities from his intimate circle who have made fortunes through the large-scale practice of trading favors. It is contended that one of the ousted ministers amassed a colossal amount of real estate holdings, while another enriched himself by allocating trade funds to third persons in order to make them prosper. All the same, this practice is widespread within the political and administrative establishment of Mali.

Even the army did not escape the avalanche of accusations. Thus soldiers dissatisfied with their lot wrote to the president to denounce those superior officers who were maintaining lifestyles that were judged to be scandalous. The consequence: several colonels were dismissed. This was the case of Bougari Sangare, the general chief of staff, Missa Kone, former member of the CMLN [National Military Liberation Committee], who was entrusted with the management of the army's SMB [Equipment and Construction Department] after leaving the government (he was criticized for collecting substantial commissions and even taking bribes, and for being more concerned with a lucrative parallel business than with the management of the army equipment), and, finally, Colonel Sekou Doumbia, head of the military supply corps.

In this context, the task of the new government team will not be an easy one. At the time of its installation for the first council of ministers, General Moussa Traore was anxious to confront the members with their responsibilities, stating that the first priority of their actions will be "the moralization of public life." Moreover, they must see to the success of the ongoing structural adjustment program in order to show positive results at the third regular congress of the UDPM, scheduled for 1988. And in an unprecedented act in the history of independent Mali, a post of prime minister was created and entrusted to a civilian, Prof Mamadou Dembele.

The creation of this post had been the object of a recommendation made at the first extraordinary congress of the UDPM in February 1981. At that time the party, barely out of its infancy, was already showing signs of lifelessness. Moussa Traore's repeated appeals to his fellow citizens to gather under the banner of this group went unanswered. Lacking members, the party existed only on paper and on the radio waves. The problem was that from the beginning there had been a serious misunderstanding, not to say total incomprehension, between Moussa Traore and a not insignificant fringe of the Malian people.

On 28 February 1978, when Moussa Traore entered and won the power struggle against "the corrupt and fascistic wing" of the CMLN, the people once more found in him the "liberating hero of 19 November 1968," date of the fall of Modibo Keita's revolutionary socialist regime. His praises sung and flattered everywhere, Moussa Traore's halo, which an overlong wait-and-see policy had tarnished slightly, shone again with a brilliance never equaled in the political firmament of independent Mali.

Rarely has a man of state possessed such a formidable winning hand. The people, enthusiastic, confident and mobilized as never before, stood behind him

and urged him to follow through with his actions and to clean out the gangrene which was eating away at the social body.

But the president preferred to settle into immobility, procrastination, and vague promises without a future. In fact, he found it too risky to his own power to attack an army that was divided, restless, and which he was not certain that he could control. Also, it is possible that he considered it more judicious to take advantage of the enthusiastic and unifying spirit of the moment to create a vast popular assembly party which would serve as a base of operations for pursuing the purification of the regime. This tactic was never perceived clearly by the people, who saw it rather as an evasion. Suddenly, "the man of 19 November 68 and 28 February 78" had ceased to be in their eyes the hero who had become a legend in his lifetime to become nothing more than a skillful praetorian who had known how to take the initiative to neutralize the adversaries that were ready to eliminate him.

Consequently, the people chose to ignore the party that was proposed to them, which was not far from being perceived as a new yoke to which they were to be submitted.

To break his reticence, two congresses were held one after the other, in 1981 and 1982, under the double sign of "internal democratization" and "opening up towards all living forces in the nation none barred." They resulted in a complete change of all the party authorities, from the base to the top, and in a recommendation made to the secretary general to designate a civilian prime minister. Through this means, they nurtured the hope then of seeing the civilians emerge from their reserve to rejoin the ranks of the party. The names of renowned personalities from the old regime known for their moderation had even been put forth, especially since there seemed to be a readiness to remove the special provision in the 1974 Constitution that ostracized them from political life for a 10-year period.

Alas, it seems that from the moment that the gulf widened between the people and their leaders, the latter, in order to force the former to belong to the single party, resorted to hateful methods that were a matter of moral and administrative repression: thus, at the present time, an honest citizen cannot try to purchase a piece of land to live on or even, in certain cases, provisions to feed his family if he does not have "his" party card. Likewise he cannot aspire to a post of responsibility within the administration if he has not given proof of his commitment and loyalty to the party.

These petty practices, which contribute to break "the revolutionary spirit of the masses" under the old regime and moreover were decried by Moussa Traore himself during a time when perhaps he was not thinking of creating his own party someday, are beginning to produce the same harmful effects within the UDPM.

In the meantime, and in this context, one can wonder about the actual ability of the new prime minister, Prof Dembele, to stir up things in the sense hoped for by the chief of state.

This surgeon by training does not have the reputation of being a political "brain" even though he does not lack ambition.

The private physician of the chief of state, he joined the UDPM at the time of its establishment in 1979. Appointed to the post of secretary of foreign relations, he was forced to resign in 1981 as a result of the opposition which he encountered in his own political stronghold of Dar-Es-Salam (in the central-western part of Bamako). He was obliged to withdraw from the contest under pressure from the president, who was careful to avoid any rift. As compensation, if you could say that, Prof Dembele was given the Ministry of Health and Social Affairs, which he led until his appointment to the post of prime minister.

Since the head of state will retain the prerogatives of head of government, the role of the new prime minister will consist essentially of "coordinating the activities" of the different ministries, as is stipulated in the decree of appointment. His responsibility will be no less direct in the matter of the success or the failure of the structural adjustment program, inasmuch as he supervises all its operating levers.

Supported by various financial organizations such as the World Bank, the IMF and the Central Fund for Economic Cooperation (CCCE), this program aims to rehabilitate the state companies and enterprises whose normal operation is impeded by shortfalls of several billion frozen in the budget. The latter, for its part, cannot hope to repay them if it is systematically deprived of its normal income by the interplay of corrupt practices that undermine its structures. Thence the need to first of all "clean up" the government team by bringing in new men who will combine competence with intellectual and moral integrity, and to appoint a civilian prime minister who must, so to speak, keep an eye daily on the dossiers of the various ministries. The president needs a trustworthy man to take on this task. Could he find anyone better than his personal physician?

Moussa Traore expects that, in view of the performances that will take place, his reunion with the people will be more serene. The appointment has thus been made for the third conference of the UDPM, planned for 1988.

13318/12851
CSO: 3419/1

MOZAMBIQUE

HUNGER HITS 35,000 IN DROUGHT STRICKEN GOVURO

Harare THE HERALD in English 6 Oct 86 p 2

[Text]

ABOUT 35 000 people are suffering from drought in the district of Govuro in the southern Mozambican province of Inhambane, according to a report in yesterday's issue of the Sunday paper Domingo.

The Govuro district administrator, Lourenco da Silva, told the paper that all the supplies the district had received from outside had been consumed by June. If there was no rain in the next two months or so, the situation would be "very serious", he warned.

To confront the drought, the district authorities have urged peasant farmers to switch to drought-resistant crops such as cassava and sweet potatoes. "Previously these crops were not part of the local people's dietary habits", said Cde da Silva.

Now Govuro peasants have been mobilised to cultivate these crops on low-lying land near the Save River which marks the boundary with Sofala Province to the north.

Fortunately Govuro is a coastal district, and five fishermen's associations have been formed who catch sufficient fish not only for the coastal settlements but also for much of the interior and for

export to Sofala and Manica provinces.

The main industrial activity in the district is the production of salt at the town of Nova Mambone. But the machines broke down in 1984, and the repairs were not completed until August this year. Production started again on August 20 and Cde da Silva is optimistic that 3 000 tonnes will be produced by the end of the year. The installed capacity at Nova Mambone is sufficient for the production of 7 500 tonnes of salt a year.

In military terms, Govuro is a calm district, and the South African-backed MNR bandits have no camps inside it. Occasionally small MNR groups penetrate the district, but have been immediately repelled by the Mozambican troops stationed there.

This marks a great change from the situation in 1982, when the bandits dominated most of the district, and attacked Nova Mambone itself. — Ziana-AFM.

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CSO: 3400/249

MOZAMBIQUE

BRIEFS

ACCORD WITH BULGARIA--An accord providing for three [as heard] new areas of cooperation was signed in Maputo yesterday afternoon at the end of the sixth session of the Mozambique-Bulgaria Joint Commission, which began on Monday. The accord, which covers bilateral cooperation in the exploration of marble and graphite and the production of coconut oil, tobacco, and sunflower, was signed by Marcelino dos Santos, member of the Frelimo Party Political Bureau, and Grigor Stoichkov, deputy chairman of the Bulgarian Council of Ministers. Speaking on the occasion, Marcelino dos Santos said that during the assessment of Mozambique-Bulgaria cooperation it was decided that the activities being carried out must mobilize the peoples of the countries and contribute toward peace and progress in the world today. The Bulgarian delegation left Maputo yesterday. [Text] [Maputo Domestic Service in Portuguese 0500 GMT 18 Oct 86 MB] /6662

NORWEGIAN TRANSPORT CONSORTIUM--A Norwegian construction company has established an international group to build a terminal at the old port of Beira in Mozambique. A Norwegian information bulletin released in Lusaka says the object is to provide alternative transport services to the Frontline States in Southern Africa, making them less dependent on South Africa. At present some of the Frontline States are entirely dependent on South African transit traffic. The international Beira group will build the terminal with aid from agencies in a number of Western countries. [Text] [Johannesburg Domestic Service in English 0915 GMT 21 Oct 86 MB] /6662

RENAMO CULTIVATES IMAGE--The president of the Mozambique National Resistance, Afonso Dhlakama, has apparently dismissed Jorge Correia as European spokesman for the rebel group because of certain statements he made which endangered certain members of the organisation who had infiltrated the Maputo administration. Some of his remarks in particular seem to have prejudiced a Portuguese, Antonio Jorge Da Silva, who was recently arrested in Maputo and was apparently a liaison agent. Announcing the decision to the press, the former secretary-general Evo Fernandes, who appears to have retained much of his influence in spite of his "dismissal" from that post, linked it to a restructuring of Renamo around Mr Dhlakama and its leadership inside Mozambique, based in the Gorongosa highlands. It seems that the movement is in the process of setting up a central information service for the foreign press to avoid contradictory or unauthorised statements. Renamo could be inspired by Angola's UNITA movement which publishes its communiques from areas under its control. For the moment the new spokesman for Renamo is Paulo Oliveira, editor of A Luta Continua, the official publication. On the military front, Renamo said on September 29

its forces had captured two places, Alto Molocue and Licuari, in Zambezia province, and shelled the headquarters of the military commander for Maputo province at Pessane. A railway bridge in the line between Maputo and South Africa was also reported destroyed. A few days beforehand the rebels claimed to have killed a total of 578 troops of whom 59 were Zimbabweans between September 10 and 15 in the southern half of the country (Maputo, Inhambane, Gaza and Sofala provinces). [Text] [Paris THE INDIAN OCEAN NEWSLETTER in English 4 Oct 86 p 5] /9317

DEBTS TO SWEDISH COMPANIES CANCELLED--Sweden confirmed on October 2 the cancellation of 19 million dollars in debts owed by Mozambique to Swedish companies. [Text] [Paris THE INDIAN OCEAN NEWSLETTER in English 11 Oct 86 p 8] /9317

HEALTH ACCORD WITH SRV--A total of 19 Vietnamese doctors and 1 sanitary engineer will come to Mozambique under the terms of an accord in the field of health signed in Maputo today between the ministries of health of the People's Republic of Mozambique and the Socialist Republic of Vietnam. The accord is in the context of the existing of friendship and cooperation between the two countries. In addition to those Vietnamese experts, the accord provides for the training of Mozambicans in that country. The accord was signed by Mozambican Deputy Minister of Health Fernando Vaz, and Nguyen Khac Huynh, ambassador extraordinary and plenipotentiary of the Socialist Republic of Vietnam. [Text] [Maputo Domestic Service in Portuguese 1700 GMT 26 Sep 86 MB] /6662

TECHNICAL COOPERATION WITH CUBANS--Delegations from Mozambique and Cuba are currently meeting in Maputo to discuss a joint cooperation commission. The delegations are headed by Director (Celia Matos), on the Mozambican side, and by (Juan Nie) for the Cuban side, who are responsible for technical cooperation between the two countries. The discussions at the specialist level should conclude a program of cooperation for 1987 for presentation to the next session of the Mozambique-Cuba joint commission. A source within the Ministry of Cooperation told AIM that the most important areas to be covered by the program will be health, education, construction and agriculture. Under the expected proposal, Mozambique will send students to Cuba to be trained in education, construction, and general planning, while Cuba will send experts to our country to work in education, health, construction, and agriculture. The next session of Mozambique-Cuba joint commission is scheduled for early 1987. [Text] [Maputo Domestic Service in Portuguese 0400 GMT 27 Sep 86] /9604

CSO: 3400/75

NAMIBIA

TRANSITIONAL GOVERNMENT TO STUDY SANCTIONS' EFFECTS

Johannesburg THE CITIZEN in English 7 Oct 86 p 12

[Text]

WINDHOEK. — The SWA Transitional Government has appointed an inter-departmental committee to advise on the effects on the territory of United States-imposed sanctions against South Africa, the Minister of Finance, Mr Dirk Mudge, said in Windhoek.

In a statement issued yesterday, Mr Mudge said any consequences of sanctions on South Africa would be felt in SWA which received about R500 million annually in direct aid from Pretoria.

Describing the imposition of trade boycotts as "senseless", Mr Mudge said the SWA Transition-

al Government would carry through its policy of abolishing the last few remnants of racial discrimination in the territory.

Meanwhile, the leader of the conservative Rehoboth Free Democratic Party, Mr Hans Diergaardt, said in a statement at the weekend that he would be meeting Swapo's leader, Mr Sam Nujoma, in Lusaka as soon as an appointment could be arranged.

The interview with Mr Nujoma would be in line with an RFDP congress resolution to make contact with Swapo, Mr Diergaardt said. — Sapa.

/9317
CSO: 3400/230

NAMIBIA

URANIUM MINE SILENT ABOUT EFFECT OF SANCTIONS

Johannesburg THE CITIZEN in English 7 Oct 86 p 12

[Text]

WINDHOEK. — The effect, if any, of sanctions against South Africa on the Rossing uranium mine in Western SWA could not be established yesterday.

Asked for comment, a Rossing spokesman said in Windhoek: "The situation in the international uranium market is difficult for producers, so the less that is known by our competitors about Rossing's markets the better it will be for the company and for Namibia."

An earlier news report quoted the mine's assistant general manager, Mr George Deysel, as saying that the strict implementation of sanctions could lead to the closure of the mine.

The Rossing spokesman said the possible consequences of effective global sanctions at this stage were purely hypothetical and not related to the current practical situation.

Mr Deysel was responding to a question in that context, he said.

Asked about the possible effects of the latest United States-imposed sanctions against South Africa, which included a ban on uranium exports, the spokesman said:

"In the circumstances we would prefer not to comment on any trade sanctions which have been applied or may be applied against South Africa and Namibia."

Rossing uranium mine, generally regarded as the world's largest open-cast uranium mine, employs 2 500 people in SWA.

From 1981 to 1985, Rossing contributed 35 percent by value of all exports from the territory and 18 percent to SWA's gross domestic product.

The company infused R350 million directly and indirectly into the SWA economy last year.

Rio Tinto Zinc has a shareholding of 46,5 percent in Rossing uranium which has a total production capacity of 5 000 short tons annually. — Sapa.

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CSO: 3400/230

NAMIBIA

POLITICAL ROW ERUPTS OVER DESEGREGATION OF SCHOOLS

Johannesburg THE CITIZEN in English 9 Oct 86 p 9

[Text]

WINDHOEK. — A major row has erupted in the ranks of the SWA Transitional Government over the desegregation of schools in the territory from January next year.

And, in what political sources described as a related development, the entire Transitional Cabinet has been summoned to Pretoria for a meeting with the South African State President, Mr P W Botha, on Wednesday next week.

Yesterday, the Minister of National Education, Mr Andrew Matjila (Democratic Turnhalle Alliance), announced in the National Assembly that in terms of a Cabinet decision on September 16, race and colour would no longer apply as norms for admission of pupils when the SWA schools reopened next year.

Schools that would be mainly affected by desegregation were those re-

served exclusively for White children.

An authoritative source close to the Cabinet said that the decision had been taken with the support of all the parties represented in the central government, including the SWA National Party and the Rehoboth Free Democratic Party.

On this issue the Rehoboth Baster Administration was reported to have informed the Cabinet in a letter yesterday that non-Rehobothers would be barred from admission to Rehoboth schools from January next year.

The Rehoboth Baster kaptein and leader of the RFDP, Mr Hans Diergaardt, said the decision had been taken after a request for financial aid from the central government had been turned down.

In terms of the Rehoboth Self-Government Act (1976) of the South

African Parliament, Rehoboth is administered virtually as a state within a state in SWA.

Meanwhile, the Administrator-General, Mr Louis Pienaar, and several Cabinet Ministers have confirmed next Wednesday's meeting with Mr Botha.

A Cabinet source said "I will not be surprised" if on next week's Pretoria agenda was a severe reprimand from Mr Botha to the eight-member SWA Cabinet over persistent dissension within the ranks of the territory's nominated central government.

The transitional government's rule since its inception on June 17 last year has been noted to date for internal strife and court applications over SWA Proclamation AG 8 (1980), which entrenches group rights in the territory. — Sapa.

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CSO: 3400/230

TANZANIA

SANCTIONS LEAD PORTS TO GEAR UP FOR INCREASED TRAFFIC

Harare THE HERALD in English 17 Oct 86 p 8

[Text]

DAR ES SALAAM.

AS international pressure mounts for economic sanctions against South Africa, Tanzania is marshalling resources to gear up for an upsurge in traffic from neighbouring states seeking alternative routes to the sea.

South Africa's white minority government has threatened to blockade its neighbours who depend on its ports and railways.

Botswana, Zambia and Zimbabwe, whose traditional trade routes for the bulk of their exports are through South Africa, would be the worst hit by Pretoria's retaliatory blockade.

Top level government delegations from the three countries recently visited Tanzania to explore the technical possibilities of re-routing traffic through the country's ports.

Tanzania has sought technical and financial assistance to enable its ports and railway system to cope with the expected increase in traffic.

"We have been contacting friendly countries and international organisations, and we have, through diplomatic channels, tried to indicate to them our needs," Tanzania's deputy minister of Communications and Works, Cde Arcadio Ntagazwa, said.

Although he is confident that the donors will eventually help, Cde Ntagazwa says "they have indicated that it may take some time".

If Pretoria closes her ports to neighbouring states, the volume of traffic handled by Tanzanian ports would increase by two million tonnes a year, the director of transport planning in the Ministry of Communications and Works, Cde Abisai Temba said.

The Tanzanian ports of Dar es Salaam, Tanga, and Mtwara can handle four million tonnes a year, but are now operating at only 50 percent capacity, he said.

Cde Temba attributes the low tonnage to poor handling facilities at the ports, including warehouses and wharfs.

"We feel that there is no reason to justify an increase in the designed capacity of the ports," Cde Temba said. "Whatever measures we undertake now will last as long as apartheid exists."

Under Tanzania's transport rehabilitation programme launched in 1985, the Dar es Salaam port will be refurbished at a cost of US\$91 million.

The project, financed by the International Development Association in-

cludes the construction of an oil jetty, a container terminal, grain storage facilities, and the expansion of berths.

But the chairman of the Tanzania Freight Forwarders Association, Cde Medard Mutungi, says Malawi, which recently diverted some traffic to Tanzania, is unhappy with the high prices charged, operational bottlenecks, cumbersome documentation and delays at the southern transshipment centre of Mbeya, on the Tanzania-Zambia Railway Authority line.

"In the opinion of Malawi freight forwarders, the southern route via South Africa is longer but quicker and more competitive when compared to Dar es Salaam," Cde Mutungi said.

In addition, the Tanzanian customs department requires Malawi agents to pay a security bond on all imports varying between 200 and 300 percent of import duty, Cde Mutungi said.

The TFFA chairman said cargo agents from neighbouring countries who use the Dar es Salaam port also complained of a shortage of rail wagons on both the Tazara line and the central railroad.

But despite the problems, the landlocked Southern African states are looking at Tazara's 1800 km line linking Zambia and the Tanzanian port of Dar es Salaam as their alternative lifeline to the sea.

Tazara's importance is largely due to the disruption caused to other regional lines by security problems.

Since 1980, Unita bandits have cut the Benguela railway line through Angola.

Other access routes through Mozambique to Nacala, Beira and Maputo, have likewise been frequently put out of action by the South-African backed MNR bandits.

Tazara would have trouble accommodating increased traffic without upgrading. Inaugurated in 1976, the Chinese built railroad is plagued by problems of pilferage, inefficiency and low capacity which culminated in a temporary shutdown in

November 1984.

Traffic has picked up since then, and government officials say operations are now making a profit. Under a 10-year rehabilitation programme, the railway authority will spend US\$150 million upgrading facilities.

Although the railway was designed to carry 25 million tonnes a year, at present "its operating capacity is about 1.4 million tonnes a year," Cde Temba said.

With the help of West Germany and the European Economic Community Tazara has boosted its motive power to cope with the expected traffic increase from its southern neighbours.

And Cde Standwell Mapara, Tazara's general manager said in August that the company had stepped up security in recent months to cope with the incidence of pilfering on the line. — ZIANA-IPS.

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CSO: 3400/230

UGANDA

KENYAN AUTHORITIES TIGHTEN BORDER SECURITY

Nairobi THE WEEKLY REVIEW in English 3 Oct 86 p 24

[Text]

WITHIN the last two weeks, both the Kenyan and Ugandan governments have denied reports that Kenya has closed its borders with Uganda. The reports were prompted by a tightening of border controls by the Kenyan authorities and the exercise has been so vigorous that to some people, it amounted to a closure of the border. It was Ugandan newspapers that first reported the alleged border closure, suggesting that relations between the two countries were beginning to sour. In a bid to avert further speculation, the Ugandan minister of state for internal affairs, Dr. Chris Besigwe, immediately issued a statement denying the reports, saying that difficulties had arisen from a routine clampdown on illegal immigrants by the Kenyan authorities. Last week, it was the turn of Kenya's minister of state in the office of the president, Mr. Justus ole Tipis, to also deny the rumours, but Tipis went a little further and asked those Ugandans living in Kenya to go back home and help in the reconstruction of their country.

Tipis was, however, more concerned about the activities of some Ugandan immigrants in Kenya. "It has occurred to us," he said in his statement, "that there are many Ugandans who entered our country illegally without any travel documents or identification, and some of these illegal aliens have been known to have engaged themselves in criminal activities here in Kenya and Uganda, thereby posing a security threat to both countries." Tipis explained that the govern-

ment has the sacred duty of safeguarding and maintaining security in the country, and it is against this background that it periodically carries out security operations against criminal elements. The minister was referring to a security operation launched in western Kenya three weeks ago, in which 200 foreigners, most of them from Uganda, were arrested as part of the drive to end lawlessness in the region. Saying that the exercise would continue, Tipis explained that the country had experienced a spate of criminal activities in major towns and areas along the western border, which necessitated the operation to apprehend those involved.

As for the general presence of Ugandans in Kenya, the minister said that there had been an influx of Ugandans into the country for a long time, as a result of political instability in their own country. Some, he said, had entered the country using the required documents and had been allowed to live among Kenyans. But now that the security situation in Uganda has improved considerably, said Tipis, "it is our feeling that Ugandans living here and elsewhere should go back and assist their brothers and sisters in the reconstruction of their country." Tipis did not indicate that the Kenyan government had any quarrel with Uganda.

Reports from Kampala say, however, that the border controls have affected the prices of essential commodities imported from Kenya. Last week, the Roman Catholic Church-backed vernacular

Ugandan daily, *Munno* reported that the restrictions on Ugandan traders from entering Kenya had caused a shortage of such commodities as wheat flour, toothpaste, soap, Deer and cooking fats, resulting in their prices suddenly shooting up by between 30 and 60 per cent. In an interview with a *Weekly Review* correspondent in Kampala, the Ugandan minister for regional co-operation, Mr. Sebaana Kizito, said that the Ugandan government had not received any official communication from the Kenyan authorities as to why Ugandan businessmen had been stopped from entering Kenya and that he had contacted the Uganda High Commission in Nairobi seeking clarification from the Kenyan authorities. In the meantime, *Munno* reported that Ugandans in Kenya were packing up and finding the safest means of leaving Kenya to avoid being apprehended by Kenyan security personnel, who are cracking down on aliens staying in Kenya illegally.

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CSO: 3400/256

UGANDA

COFFEE FARMERS PRESS FOR REFORMS

Nairobi FINANCIAL REVIEW in English 29 Sep 86 p 8

[Text]

Although Uganda's coffee export volumes have been steadily rising since June 1981, due to upward revisions of her quotas under the International Coffee Organisation (ICO) Uganda, with the exception of Madagascar, was among the world's coffee producing countries paid lowest in dollar terms according to the background to the budget report 1986-1987 just published by the ministry of planning and economic development.

The report stated that the price paid to the Ugandan coffee farmer averaged US\$0.74 per kilogram between December 1981, and December 1984. During the sixties Uganda was the leading coffee producer in Africa but was overtaken by Ivory Coast due to gross economic mismanagement during the Amin regime. She is now Africa's second biggest coffee producer and ranks fifth among the world's coffee producing countries. Uganda is the only country in the world which depends on coffee exports for over 90 per cent of her foreign exchange earnings. Consequently, the background to the budget report states the Uganda government continues to rely on coffee export tax as its principle source of revenue. Coffee export duty in the country's recurrent revenue has risen from 4.1 per cent in 1980/81 to 58.1 per cent in 1984/85, while the share of custom duty and that of sales tax has been decreasing, the report adds.

Given the world boom in coffee prices and the atmosphere of rising expectations ushered in by the victory of President

Museveni's National Resistance Army (NRA) last January, the Ugandan coffee farmer has been growing impatient about the small reward given for his great efforts. Coffee farmers and processors have therefore been agitating for a complete reform of the whole industry including the introduction public coffee auctions as a way of obtaining a greater share of coffee earnings.

According to Mr. Antoni Tamale, chairman and founder of the 29-year-old Uganda National Coffee Association (UNCA), an association of farmers and private processors, the Ugandan farmer receives only 14 per cent of the export price of his coffee (Uganda shs.1.6m per tonne) out of shs.11.6m or 2,340 US dollars, even after a recent increase in producer prices. He compares this to an 81 per cent share for their Kenyan counterparts. "The simple difference," Tamale says, "is one of accountability. The Kenyans elect their service board and auction their coffee direct to the buyer." Ugandan farmers must sell through their associations and cooperative unions to the Coffee Marketing Boards (CMB) which take 75 per cent of the export value.

President Museveni's government has carried out a reshuffle in the management of the coffee marketing board. However, many coffee farmers and processors are impatient that government reforms are too slow. They argue that the present coffee marketing system invites corruption by concentrating the returns in Kampala. What cash was not embezzled,

they say, disappeared into military expenditure; urban consumption; and large-scale industrial projects dependent of foreign exchange, foreign know-how, inputs and operating at 10-15 per cent capacity. If more of the coffee's value were retained in the rural areas, the farmers say, it would be invested in small-scale industries that are traditionally labour intensive, local resource-based and dependent on fewer foreign inputs. Such a move would inevitably improve an income distribution which has a chronic urban bias and then also, fewer state resources would be required to guard Uganda's borders against smuggling. At the moment, Tamale estimates that almost all the valuable arabica coffee crop in West Nile, north-western Uganda, and 75 per cent of Mbale crop in north-eastern region, disappears over the borders to Zaire and Kenya where it fetches a higher price.

The background to the 1986/87 report also states that coffee continues to account for the lion's share of Uganda's exports. Between 1981 and 1985 coffee accounted on average for 94.0 per cent of total merchandise exports compared with a share of 97.3 per cent between 1978 and 1980. Coffee exports increased from 110,000 tonnes in 1980 to 174,700 tonnes in 1982, followed by a moderate decline to 133,200 tonnes in 1984, before increasing again in 1985 to 151,500 tonnes (an increase of 13.7 per cent). According to a top official with CMB, Uganda will meet its 160,000 tonne export quota (allocated by the ICO before the quotas were suspended) by the end of the coffee year this month. Despite some recovery, the volume of coffee exports continues to lag behind the peak of 214,200 tonnes in 1972, states the report. An increase in volume of exports in 1982 reflected a diversion of coffee from smuggling to official markets due to substantial produce price increases, adds the report.

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CSO: 3400/256

UGANDA

BRIEFS

EEC AID APPROVED--The EEC has approved three projects in Uganda for a total value of 22 million dollars. They are all in the form of grants from the balance of resources from the Lome II Convention. Six million dollars was approved for the second phase of the Karamoja development program which is an integrated program with the aim of improving food production and general living conditions in Karamoja. The 48 km section of the Kampala-Masaka Road from Katonga bridge to Masaka will be rehabilitated at a total cost of nine million dollars. The reconstruction and resurfacing of the 22 km stretch between Kabale and Katunga at the Uganda-Rwanda border was approved at a total cost of seven million dollars. [Excerpts] [Kampala Domestic Service in English 1400 GMT 10 Oct 86 EA] /6662

CSO: 3400/254

ZAMBIA

BRIEFS

INDIA TO LEND FUNDS--From New Delhi comes a report that India has agreed to give Zambia a 77 million kwacha loan for raw materials, consumer goods, and small scale industry products. According to minutes signed between India and Zambia last night, 51 million kwacha will be available for buying goods and machinery under the normal terms and conditions of suppliers' credit extended by the Indian financial institutions. The other 25 million kwacha credit will be used to buy the industrial raw materials and consumer goods. Prime Minister Kebby Musokotwane is on a 10-day official visit to India.
[Text] [Lusaka Domestic Service in English 1115 GMT 24 Sep 86 MB] /6662

ANGOLAN REFUGEES BEING MOVED--An exercise is under way to evacuate Angola refugees living with the local populace in border areas of Zambezi District, and move them to Maheba and (Muyukoyiso) refugee camps in Solwezi and Kaoma respectively. Zambezi District governor, Major Safestus Munanungu, disclosed this in an interview with the Zambia New Agency from Solwezi. Major Munanungu, who did not say why the refugees were being evacuated from the district, also said authorities want the areas to be free of refugees. There are about 3,000 refugees living in the border areas of Zambezi District. He said expenses for evacuating the refugees would be borne by the UN High Commission for Refugees.
[Text] [Lusaka Domestic Service in English 1800 GMT 16 Oct 86 MB] /6662

CSO: 3400/229

ZIMBABWE

CHINESE EXPERTS EXPLORE FISH CULTIVATION PROJECTS

Harare THE HERALD in English 16 Oct 86 p 5

[Text]

FIVE Chinese experts are in Zimbabwe to explore the possibility of setting up fish cultivation projects in the rural areas under a \$25 million loan provided during the visit to China by the Prime Minister, Cde Mugabe, last year.

The experts are touring various parts of the country to gather information for a technical survey on suitable sites for the projects, the economic counsellor at the Chinese embassy, Cde Wang Jun, said this week.

The project had been proposed by the Government to cut down on undernourishment in the rural areas.

A water project and a garment factory would also be funded from the loan, Cde Wang said. The garment factory — which will be the second to be established with Chinese assistance — will be sited outside Harare. China has agreed to provide experts for the factory.

"We agreed in 1983 to build small- to medium-scale water projects in Zimbabwe. Our people are well organised and ready to come, but the Ministry of Energy, Water Re-

sources and Development has not yet decided where the projects will be sited."

At the first session of the China-Zimbabwe joint commission on economic and technical co-operation held in Beijing in June, China presented a draft agreement to promote economic and technical co-operation, and to provide technical manpower to Zimbabwe. Zimbabwe is still studying the draft.

A memorandum containing more than 20 projects agreed to between both sides was also signed.

Some of the proposed projects to be carried out with Chinese assistance include the rehabilitation programme for ZiscoSteel, the building of a bicycle factory, an asbestos processing plant, development of household use of coal as fuel, glassware manufacture and others.

Most of these projects would be undertaken by one of China's largest companies — China Metallurgical Constructions Corporation. MCC has already sent its representative here to discuss these projects with the Government and private businesses.

The corporation has also sent two study teams to Zimbabwe for technical studies into the feasibility of establishing these projects.

The first team in February did a general survey of the manufacturing sector and in July five senior chief engineers studied the ZiscoSteel works. They will compile a report which is expected to emphasise the use of local resources in the steelworks' rehabilitation programme.

The China International Engineering Consultant Corporation (CIECC) had tendered for the general management programme component of the rehabilitation programme at Zisco.

An embroidery factory was planned, with China providing the technical expertise. Chinese experts had already visited Zimbabwe to study the project.

"As soon as the agreement is signed the machinery will be shipped to Zimbabwe by air," he said.

China has provided two other long-term, interest-free loans worth about \$50 million. These were used to build the 60 000-seat stadium going up on the western side of the city.

/9317

CSO: 3400/246

ZIMBABWE

ROLE, PROGRESS OF POLICE FORCE SINCE INDEPENDENCE EXAMINED

Minister of Home Affairs Comments

Harare THE HERALD in English 8 Oct 86 p 4

[Text]

THERE is no such thing as the transformation of a police force but a change of attitude on the part of the police toward the public they serve and protect.

The Minister of Home Affairs, Cde Enos Nkala was remarking in an interview on the progress of the police force since independence in 1980.

He said: "When you talk of the transformation of a police force, you are talking about investigation. Investigations remain the same whether you are in a colonial police force or one of an independent state. The training, the tackling of crime and drilling remain the same. The only transformation that occurs is in the mental attitude."

He said that our police in the colonial era tended to be harsher and treated

people as if they were animals.

After independence, there was need to reorient police attitude, how to handle human beings and how to investigate without harshness and mistreatment of people, the minister said.

The minister has been receiving compliments for the work being done by the police from all quarters of society.

"There has been a lot of compliments to the police commending them on how they handle investigations of private homes and control of crowds at mass games like football matches and other gatherings, at business premises and other places.

"Since I became minister of Home Affairs, I have heard from members of Parliament, ordinary citizens, critical politicians, religious leaders, blacks and whites and businessmen saying how professionally

and politely the police behave. Generally, people are happy about the police work."

On police recruitment, the minister said that the police force was overflooded with applications.

"Since 1980," he said, "a sizeable number of police men and women with A levels and university degrees have been joining the force and these are the kind of recruits who are giving the kind of leadership and the kind of police persons we would require in the future."

Cde Nkala rejected the allegation that there is a shortage of police manpower in the country. He said that one reason why there may appear to be a shortage of police at some stations and towns or posts was that a lot of police contingents or officers who could be looking at crime on the streets or attending to various things, are "pinned down in the fight against dissidents".

Public Response Leads to More Arrests

Harare THE HERALD in English 8 Oct 86 p 4

[Article by Shakespeare Johnson]

[Text]

SINCE becoming the top policeman in the country less than one year ago, Commissioner of Police Henry Mukurazhizha's major task has been to restore public confidence in the force which had been tarnished.

To restore the confidence, the commissioner said in a recent interview at police headquarters in Harare: "It became necessary, first and foremost, for us to put our house in order, before we went to the public.

"Before my predecessor and his associates' dismissal, discipline in the police force was tapering off gradually because the bosses occupying this office were a law unto themselves, with no regard for established procedures and no respect for the law itself."

Commissioner Mukurazhizha and the Minister of Home Affairs, visited all the nine provinces in the country to hold meetings with senior police officers, province commanders, junior officers, all officers in charge of stations and party representatives.

Commissioner Mukurazhizha explained: "The object of the exercise was to impress upon all the commanders of the ZRP and the party officials the role of the police force that it could not properly function if members and officers of that organisation were not disciplined."

In the short time since the end of that exercise, the commissioner feels that public confidence in the police has been restored.

One of the good things to come out of that exercise is that "first, we began to notice positive responses to what we had been preaching from all around with members appreciating the effectiveness of our mission and they in turn began to carry out meetings in their various areas of responsibility".

A closer relationship between police and the public has now been forged as a result of that exercise, too.

Public Relations liaison officers have been established at every police station throughout the country. Their specific purpose is to hold meetings with the local communities to explain the role of the police and what the public can do to assist the enforcement of the law in order to help the community to live in peace. This establishment came about in the period of March to April, this year.

"The public has come to realise that the police cannot effectively operate without the support and co-operation of the people. Recently, the Southerton police arrested a car theft gang, and someone in the city knew that crimes were being committed but did not inform the police. If they had, not so many cars

would have been stolen. Such is one of the many areas where the public can assist the police.

Commissioner Mukurazhizha said that the strength of the ZRP stood at 15 809 serving members at the moment, but a sizeable number of that was restricted to office work.

"The number of police members performing duties directly related to the public such as walking the beat, bicycling or driving around and other duties is about 10 000 against a population of eight million people.

"To effectively police the country and to root out crime, we will naturally need more support from our communities."

The ZRP has now 112 men and women executive members, that is those police officers who joined the force after completing A levels and university degrees, since independence.

The ratio of policemen to a given number of people in the country is one policeman to 764 at the moment, but the commissioner said that he would like to see it come down to one to 500 which is the international standard.

Mounted Patrols Cut Cattle Thefts

Harare THE HERALD in English 8 Oct 86 p 4

[Text]

THE Mounted Section of the Police Support Unit has achieved great success during its operations in the past year.

Inspector John Chatiza said in an interview that the unit had only 22 horses. "Because of the shortage of horses, we share one horse between two men for the purposes of training and patrol. There are 45 members in this unit."

The mounted section patrols certain parts of the country such as the Mwenezi, Fort Rixon, Filabusi, the Shangani farming area and other parts where horses are required.

The duties of the section consist of combating stock theft and poaching and it is also involved in

anti-bandit patrols. But it is much easier to track stolen animals on horse back, said Inspector Chatiza.

One of the section's noted success came this year in the period between April and May. In 35 days, the mounted troopers, working with the help of the local Mwenezi communal people, recovered 300 cattle that had been stolen over a period of three years. The beasts were recovered in the Chikombedzi area.

The cattle were mostly stolen from the surrounding commercial farming area. Inspector Chatiza said that the owners of the stolen beasts identified their own stock.

In one incident, the

inspector said one commercial farmer was stealing cattle from his neighbours and sending them to a communal area for safe keeping.

"It was a successful operation and we arrested over 60 accused persons for poaching and stock theft offences."

Inspector Chatiza said that the police section would welcome donations of horses from anyone. Some of the horses on patrol are retired race horses sold to the police by their former owners.

"With more horses," he said, "we would be more successful than in the past."

The police recently bought three horse boxes for transporting the horses to the Shamva training school.

More Training for Bush Patrols

Harare THE HERALD in English 8 Oct 86 p 4

[Text]

SECTION Officer Zacheus Chibaya, member-in-charge at Shamva Support Unit Battle Camp, said in an interview that more training is necessary to cope with bush patrols.

Section Officer Chibaya who became the member-in-charge of the camp in 1983, said that members of the unit have regular police training in law, drilling and weaponry handling.

He said: "This unit counters any civil action against the Government

such as riots, demonstrations, bandits and dissidents.

"Training in the Support Unit is continuous, and members come back for training at camps several times a year."

Members are constantly on patrol with short breaks.

Like other Support Unit members I talked to at the Battle Camp, Section Officer Chibaya said that he especially enjoyed the role of a Support Unit member, of being a policeman and a soldier at the same time.

Along South African Border

Harare THE HERALD in English 8 Oct 86 p 5

[Text]

THE Beit Bridge police station on the banks of the Limpopo River is responsible for the policing of the 324 km long border with South Africa.

The total area covered by the Beit Bridge police station stretches 134 km to the east of the town, 100 km to the west, 110 to the north-east and 75 km to the north. The population of the area is about 84 000.

The officer-in-charge at Beit Bridge is Chief Inspector Misheck Zvamashakwe with 90 policemen under him, 21 of them stationed at the area's two other police posts: 11 at Makado and 10 at Chituripasi, and the rest at Beit Bridge.

Chief Inspector Zvamashakwe said that one of the major problems the police face in the area of operation is the language barrier.

He said: "The people of this area and those on the South African side speak Venda and Changan languages which are very difficult to understand. At the moment we have only about three policemen who can translate for us.

"Many Venda and Changan young men are coming to report here to join the police force but we refer them to Bulawayo. We wish they can be posted here after their training."

The other problem, "is that many people feel that police stations and posts are too distant, while the police feel that there is a great shortage of the appropriate police vehicles for the rough roads of the area."

Murder and rape are the major crimes that police in Beit Bridge have been observing recently.

According to Inspector William Chinembiri, Officer-In-Charge of crime at Beit Bridge Police Station, an average of four murders or attempted murders or four rape cases occur every month.

He said: "Most of our murder cases result from beer drinks. Some alleged murderers are also murdered sometimes."

An average of 30 to 40 house breaking cases are registered in the area every month in an area covering about 300 km, that is from Chikwarakwara in the east to West Nicholson in the west.

Since November 1985, South Africa has been deporting Zimbabweans

who crossed the border illegally, mostly in 1979 and 1980.

Inspector Chinembiri said about the deportees: "An average of 150 to 200 are deported every month. In the past, we never prosecuted them, but since November 1985, we began to prosecute them as a way to deter them from illegally crossing into South Africa. The deterrent is working since the faces of the deportees whom we see are never the same."

Smugglers of goods from South Africa are some of the criminals the Beit Bridge police have had to deal with lately. Inspector Chinembiri himself has made many arrests.

"On the fifth of July, I arrested a truck driver who had smuggled a photostating machine worth about \$3 000. Further investigation revealed that the man was also wanted in Harare for questioning on other matters," Inspector Chinembiri said.

But the other smugglers are locals in the area and some from Harare who slip into South Africa at various illegal points to buy items that they come to sell back in Zimbabwe at inflated prices.

Along Zambia, Mozambique Borders

Harare THE HERALD in English 8 Oct 86 p 5

[Text]

INSPECTOR Napier Jayaguru is the Officer-In-Charge at the Guruve Police Station which polices an area with a population of 98 000 people.

The Guruve police area stretches 200 km to the north of Guruve, 65 km south, 50 km east, and 90 km west, with police posts at Mahuwe, Mashumbi Pools, Kanyemba on the Zambezi River at the border with Zambia and Mozambique. At Kacnuta, 50 km west of Guruve, there is a police base which will soon be transformed into a police post.

The Guruve police area consists of communal, commercial, small-scale farming areas with one-third of the area going to game parks. The problems experienced in the area by police are largely those that occur in farming communities and game reserves.

According to Inspector Jayaguru, there is an average of three murders a month and about the same for rape cases involving young females.

The murders are mostly from domestic disputes.

"The people here are short-tempered. When tempers rise either between husband and wife or between friends, pounding poles, knobkerries, stones and bricks are the weapons that are used in fights that break out and end usually with someone killed.

"In the coming season, when the vegetation is green, five to six young females are raped in a month on their way from school or from shopping centres," said Inspector Jayaguru in a recent interview.

The inspector said that the crimes are committed by locals and the arrest rate is about 90 percent.

In Guruve growth point alone, there are only 86 policemen, 47 constables, eight patrol officers, eight sergeants, two section officers and 20 auxiliary constables.

But an occurrence that disturbs Inspector Jayaguru mostly is that of sudden death that is gripping the Guruve area as it develops into a cash economy.

Inspector Jayaguru said: "We are beginning to register over a hundred suicides in a year, especially during the harvest season, when mostly husbands fail to come back home with the cheques for crops sold at the marketing boards, the disappointed wives take an insecticide to kill themselves.

"But then suicide is not a crime, therefore there is nothing that the police can do but take the body of the deceased to the doctor for an autopsy, and then to the magistrate for a death certificate."

But the district hospital at Guruve growth point has no doctor. There is one doctor who visits the hospital once a week and is stationed at Mvurwi.

About a third of the Guruve area is being in-

habited by animals, it is hard to track down poachers — who are mostly Zambians.

Inspector Jayaguru said that Safari hunters usually give the most reliable information about poachers to the police and parks patrols.

The Kanyemba police post on the Zambezi, at the border with Zambia and Mozambique will soon be equipped with a boat to help police patrol the Zambezi from Kanyemba to the Chirundu border post, said Constable George Gonzo, who is acting member-in-charge at Kanyemba Police post.

Sergeant Russia Ncube is the member-in-charge at the Mahuhwe Police post in the Dande area, stretching 110 km to the north-east at Chidodo, on the Mozambican border, and 20 km to the south, at Bakasa and 15 km to the west at Mashumbi, and 40 km to the north at Gonono.

Sergeant Ncube said: "The outstanding crimes in this area are assault, theft, fish smuggling from Mozambique and road accidents on the escarpment (Zambezi)."

Fish smugglers who do not have licences are arrested, averaging about 15 a month. They transport their fish on the buses.

The assault cases result from beer drinks, and the thefts occur mostly on the buses. The accidents result from sharp bends on the escarpment and lack of sufficient vehicle brakes, Sergeant Ncube said.

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CSO: 3400/248

ZIMBABWE

GOVERNOR OUTLINES 5-YEAR MASHONALAND DEVELOPMENT PLAN

Harare THE SUNDAY MAIL in English 5 Oct 86 p 9

[Article by Tendayi Nyakunu]

[Text]

MASHONALAND East Province plans to spend about \$65 million on an ambitious five-year development plan that will focus on the improvement of health, education, transport, communication and energy in the province.

In a wide-ranging interview with The Sunday Mail on Friday the Governor of the province, Senator Ruzwi Ziyenge said: "The Five Year Provincial Development Plan for Mashonaland East calls for the formulation and implementation of plans of various forms and content."

The main objectives of the plan are: the promotion of co-operatives; the provision of adequate and appropriate education facilities; improvement of health and social services, especially in Murewa and Mudzi; the provision of adequate water supplies; improving transport facilities by building feeder roads and new ones where required; providing telephone exchanges to facilitate good communication; the electrifi-

cation of growth points; and improving agricultural production.

"The promotion of co-operatives will create more jobs for our youths, especially school-leavers. We have asked the Ministry of Youth, Sport and Culture to encourage youths who graduate from their training centres to form co-operatives as a means of earning a living.

the Ministry of Mines to encourage and help mining co-operatives. This will lead to the creation of small-scale industries and help reduce unemployment levels," said the 53-year-old governor.

Turning to education, Sen Ziyenge said that emphasis would be placed on providing adequate and appropriate educational facilities. "We want to ensure that we have enough qualified staff for all schools in the province by reducing the ratio of qualified teachers which is currently one to 72 pupils.

"We also aim to introduce secondary schools in the farming communities which have been neglected by previous governments. We also want to provide a good infrastructure and services to all our schools

—that is to ensure that they have good roads, telephones, electricity and safe drinking water," he said.

The province has 422 primary and 161 secondary schools, with 16 more undergoing different phases of expansion.

On health, the governor said that they would concentrate on ensuring that areas like Murewa and Mudzi were provided

Since independence there has been a general improvement of the health facilities in the whole country. The situation has been the same in Mashonaland East Province.

According to the available data, there are 10 hospitals (district and rural), 10 rural health centres and 80 clinics in the province.

"Despite the massive expansion of health facilities since independence, the situation is still very far from satisfactory. Presently, Mudzi and Uzumba-Maramba-Pfungwe-Zvataida district councils have no hospitals.

The present provincial hospital is acutely inadequate in the outpatient, maternity wings and training school. Existing

district hospitals also require up-grading, for example in Mutoko District, the District Medical Officer's house cost more to construct than the hospital.

"Problems that are still encountered include lack of adequate water supplies, at some health centres, poor communications (both by road or by telephone), staff and housing shortages.

Some districts like, UMP-Zvataida have not even a single ambulance. Most district medical officers are either expatriates or professionals working on contract and hence as temporary employees do not stay to see most projects go through. Clinics have been constructed without accompanying houses and adequate kitchen space. In commercial farming areas, there is a poor provision of health services.

"Thus the plan's strategy on the improvement of the health situation in the province will have to include: up-grading of district hospitals; recruiting local doctors and nurses; and to provide hospitals with good water supplies.

"We would like to recruit indigenous doctors and not depend on expatriate doctors who only work for the duration of their contract and leave. We would also like to build a good infrastructure with good roads, telecommunications, water supplies and a good ambulance service in our hospitals, clinics and health centres. At the

same time, we would like to ensure that the farming communities also have hospitals and clinics which serve them adequately."

The province so far has a total of 98 clinics and rural health centres and 15 hospitals.

On growth points, Senator Ziyenge said that the main aim was to have piped water schemes at every growth point within the province.

"We shall construct big dams for both drinking and irrigation purposes. We already have two such dams at Wedza and Mutoko, two more are being built at Mahusekwa and another at UMP-Zvataida. We have a village piped water scheme under operation at Makaha in Mutoko and many more such schemes are to be introduced during the next five years," Cde Ziyenge said.

He said that all roads within the province were being maintained and built through the District Development Fund's Rural Road Programme. "In areas where no roads existed or people were far away from goods and services, new roads are being opened by the District Development Fund."

The Ministry of Transport was responsible for the maintenance of all major roads leading to the provincial capital, while the DDF was responsible for all feeder roads in the districts.

"Plans are under way to tar the Murewa-Madicheche (Pfungwe) road, and the Seke-Zvipadze

Road is being tarred."

Turning to telecommunications, the governor said that the provision of telephone exchanges was very important to the development of the province as that would facilitate a good communication system. At present, the only exchanges were at Beatrice, Ruwa, Murewa, Mutoko and Wedza. "We shall also introduce a rural telecommunications

system similar to the Murobedzi type in remote areas like Mudzi.

"The province's major growth points like Wedza; Juru; Murewa; and Mahusekwa had been electrified, with Mutoko's electrification nearing completion. "Hopefully, Mutawatawa and Kotwa will be electrified before the end of this financial year and then we proceed to rural, and district service centres."

He said that the province was mainly an agricultural one, with the major grain producer being Murewa district. Agriculture had greatly contributed to the growth of Murewa Growth Point, coupled with a good infrastructure, which existed even before independence.

"Transporters from South Africa to Malawi and vice-versa always stop over at Murewa Centre, which is a fast growing growth point by any standards. By the end of the year, we hope to have tower lights erected at the centre and eventually at every Government institution there."

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CSO: 3400/251

ZIMBABWE

THREE COMPANIES MERGE TO LOCALIZE NATION'S MOTOR INDUSTRY

Harare THE HERALD (Business) in English 16 Oct 86 p 1

[Article by Lynda Loxton]

[Text]

THREE locally-owned companies have joined forces to localise control of Nissan Zimbabwe, thereby helping to fulfil the Government's aim of localising the Zimbabwe motor industry.

AMC, Zimitra and Associated Distributors and Traders announced this week that they had acquired the shares of Zimbabwe Motor Investments, thereby giving them a controlling interest in Nissan.

They have bought up the 80 percent shareholding in Zimbabwe Motor Investments previously held by Swiss-based Inter Afrique Enterprises and the 20 percent shareholding locally-held by Mashonaland Holdings for an undisclosed sum. The minority shareholder in Nissan Zimbabwe is Kenning Holdings.

Following this move, the head of TA's motor and transport division,

Mr Jack Cannon, has been appointed chairman of Zimbabwe Motor Investments. AMC is part of the TA group.

The new vice chairman is Mr Honor Mkushi while the other board members are Mr Clement Togwe, Mr Noah Mvenge and Mr Gunter Ptzas.

Mr Togwe, who is also managing director of Zimitra, has been appointed chairman of a management committee of Zimbabwe Motor Investments.

Mr Cannon said this week the takeover followed the announcement by the Ministry of Industry and Technology of the reforms the Government was planning for the motor industry and the new role envisaged for the country's three assembly plants — now called "vertically integrated companies" or VICs.

It was therefore designed to fit in with the Government's stated aims, particularly that of localising the Zimbabwe motor industry.

He said that while the industry was going through a difficult period, the companies concerned felt that, by associating themselves with the proposed reforms, they would also be taking realistic steps to ensure their long-term participation in the industry.

● Mashonaland Holdings chairman, Mr Terence Hardy, admitted in his annual report earlier this year that his group would probably be pulling out of Zimbabwe Motor Investments. At that time, however, the leading contender was Leyland (Zimbabwe), which had put the offer to the foreign investments committee. Obviously, the local offer was more attractive to the authorities.

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CSO: 3400/251

ZIMBABWE

AIR ZIMBABWE TRAINS BLACK PILOTS AS CAPTAINS, OFFICERS

Harare THE HERALD in English 16 Oct 86 p 1

[Text]

AIR ZIMBABWE is training a number of black pilots as captains and first officers on the Boeing 737 and the Viscount in a programme aimed not only at redressing racial imbalance but also at bringing the airline's pilot complement up to the necessary establishment.

The man who made history by becoming the first black AZ captain, Cde Costa Kuuya, is being sent to Brussels next month for a manufacturer's captain's course for the Boeing 737. Cde Raymond Mukahanana will accompany him for training as a 737 first officer.

The airline also has plans to send two other blacks — Viscount Captain Alex Makanda and 737 First Officer Obert Mazinyi — to Britain for training as 737 captains in April next year.

At the same time AZ is recruiting five black

pilots from within the country as first officers. Four will be drawn from Government and Government-related organisations, and negotiations are in progress for the four to be cleared for employment with AZ.

The fifth is a Zimbabwean flying on locust control operation in Zambia.

At the same time the airline has three trainees flying with the District Development Fund to gain experience. They will be integrated into the airline.

The general manager of Air Zimbabwe, Cde Augustine Mutyambizi, told The Herald early this week that another non-white pilot, the recently checked out Captain Robin Thomas who is a former Air Force of Zimbabwe squadron leader, is soon to be checked out as a flight instructor to help with

the training programme which is to be introduced soon for several pilots.

The AZ manager (flying operation), Cde Charles Samuriwo, said that two other black pilots — first officers Muzenda and Nkomo — will be helped to get their air transport pilot's licences so they can fall into the normal promotion ladder.

Air Zimbabwe has recently suffered a drain of experienced pilots with a number having retired while others have left for greener pastures, mostly in Saudi Arabia and Hong Kong. Two others have been poached by Affretair, the national cargo line.

The training of Capt Kuuya and First Officer Mukahanana by Boeing in Brussels is an indication that AZ might be going to buy Boeing aircraft as such training is normally part of a purchase package.

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CSO: 3400/246

ZIMBABWE

RURAL PROJECTS BENEFIT FROM COMPUTER FIRM DONATION

Harare THE HERALD in English 16 Oct 86 p 1

[Text]

MAJOR rural development projects yesterday benefited from a \$1 million gift from NCR, a computer company, which was handed to the Deputy Prime Minister, Cde Simon Muzenda.

The cheques were presented to the director of the Zimbabwe field office of Save the Children (US), Mr Jacques Wilmore; Mrs Lucile Thomas, a resident representative of Africare in Zimbabwe and a representative of the Adventist Development and Relief Agency, Mr Cliff Patterson, of the Eastern Africa Division.

Save the Children (US) received \$350 000 to resettle 80 to 100 youths on a large-scale commercial farm, Mere Estate, in Marondera, which was bought by Government and given to the organisation.

The organisation also wants to build a rural

agricultural and technology centre at the estate to help neighbouring small-scale farmers.

The Seventh Day Adventist Church got \$300 000 of which \$200 000 will be spent on finishing Solusi College in Matabeleland South. NCR has been involved with this college for sometime. The other \$100 000 goes towards an education trust fund to provide bursaries for promising students at the college.

Africare, which received \$350 000, will use \$100 000 for drilling five boreholes at primary schools in Masvingo where lack of rainfall has severely hampered education-with-production projects. The other \$250 000 will go towards an extra lecture room and equipment for a youth training centre in Manicaland.

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CSO: 3400/246

ZIMBABWE

TRAINING COLLEGE FOR COOPERATIVE ACTIVITIES PLANNED

Harare THE HERALD-in English 15 Oct 86 p 9

[Text]

A COLLEGE for training co-operative activists is to be set up at Kushinga Phikelela to provide training for relevant personnel, the Minister of Co-operatives Development, Cde Maurice Nyagumbo, has said.

He told The Herald in a recent interview: "The biggest hurdle we see facing the co-operative industry in every aspect is lack of training. That is why a co-operative college is soon to be established at Kushinga Phikelela to provide skills for co-operative activities."

Cde Nyagumbo, who is Zanu (PF)'s administrative secretary and acting secretary for the commissariat and culture, also said that plans were afoot to establish a bank for co-operatives to provide "initial financial assistance to co-operatives especially in agriculture

where implements such as tractors are necessary".

He said it was imperative to establish the bank because commercial banks were reluctant to lend money to co-operatives which had no resources to provide collateral.

He believed that once training was provided together with initial financial assistance, there would be successful co-operative activities in the country that would be "a source of employment for the majority of our people".

Personnel to administer the bank would have to be "thoroughly trained to handle the bank", he said, to which the Government would provide initial funds, expecting the majority shareholders to be the co-operatives themselves.

He said it had been Government policy since 1980 to encourage and stimulate the organisation of co-operatives in the country.

Co-operatives as an aspect of the country's activities had been scattered, prior to the formation of his ministry, and were at that time difficult to administer.

This was because ministries such as that of Lands, Agriculture and Rural Resettlement and of Community Development and Women's Affairs, had dealt with aspects of co-operatives.

"Now that a ministry for co-operatives has been established with a single administration it will be easier to supervise the activities of co-operatives."

Cde Nyagumbo said that his ministry would learn from the experiences of socialist countries.

On non-governmental organisations, he said he appreciated the work of some of them but there existed others whose intentions were not genuine and which he regarded with suspicion.

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CSO: 3400/251

ZIMBABWE

BRIEFS

MAZDA TO EXPAND OPERATIONS--One of Japan's largest motor car manufacturers, Mazda Motor Corporation, is to expand its operations in Zimbabwe. Mazda's general manager for Middle East and Africa Division, Mr Seiji Miyaji, told Business Herald after a tour of its Hiroshima plant that the corporation was now negotiating expansion plans in Zimbabwe. He would not elaborate. Mazda operates in three countries, including Zimbabwe, in Africa. Its Zimbabwean partner is Bob's Motors. [Text] [Harare THE HERALD in English (Business) 16 Oct 86 p 1] /9317

CSO: 3400/246

SOUTH AFRICA

OFFICIAL SAYS ECONOMIC STRUGGLE OF PRIMARY CONCERN

MB151527 Johannesburg SAPA in English 1502 GMT 15 Oct 86

[Text] Johannesburg, 15 Oct, SAPA--Sanctions and disinvestment no longer had anything to do with politics but had now become tools in an international economic struggle, the chairman of the President's Council, Dr Piet Koornhof, said today. Addressing the Executive Association of South Africa, he said South Africa was up against unfair odds in the international market place because it was being discriminated against by disinvestment and trade sanctions. "It is noteworthy that the self-interest of countries proposing sanctions is paramount. It is not self-evident opportunism that both the European community and the USA which have maintained steel quota arrangements with South Africa over a period of many years have now conveniently banned the importation of our steel outright, while their self-interest dictated no similar curbs on purchases of manganese, platinum and chrome to name but a few?"

He said the government fully realised that republic was an integral part of the international financial trading world and South Africa still remained a force as a trading nation. It ranked twelfth in the world when gold was included in its exports and nineteenth without the metal. "In view of South Africa's open economy--more than 60 percent of our gross domestic product is generated through foreign trade--the country simply cannot afford to turn its back on the world and may not withdraw into the laager."

South Africa was a major source of many crucial raw materials and would continue to be a reliable supplier to wherever they were needed. There was a dire need for economic growth and the creation of sufficient job opportunities in the country and this could only be achieved through increased trade.

Dr Koornhof said that with the eyes of the world sharply focused on the country's everyday activities, covert operation was becoming of greater relevance. Difficulties in trading would become more sensitive so it was essential for South Africa to maintain its friends and trading partners. "...A new perspective on the dissemination of information useful to our foes must be assumed." This was not a new approach because it had been in operation in trade links with other African states for many years. It had not been widely publicised, but South Africa had trade links with all but a very small minority of countries in Africa.

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CSO: 3400/223

SOUTH AFRICA

POLICEMEN UNDER INVESTIGATION FOR AWB MEMBERSHIP

MB141157 Johannesburg SAPA in English 1052 GMT 14 Oct 86

[Text] Pretoria, 14 Oct, SAPA--The police directorate of public relations in Pretoria has confirmed that the alleged Afrikaner Weerstandsbeweging [Afrikaner Resistance Movement, AWB] membership of "some" policemen, or their involvement with the rightwing organisation's activities, is being investigated. The investigations were on a departmental basis and regarded as an internal matter or which no comment would be made.

In a brief statement, the directorate said the official policy that no member of the force could be a member of the AWB was already public knowledge.

"Alleged membership or the involvement of some members with the activities of the AWB is presently being investigated departmentally.

"Departmental investigations and/or steps against members of the force are regarded as an internal matter on which no comment is given."

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CSO: 3400/223

SOUTH AFRICA

BRIEFS

GOVERNMENT ON ILLEGAL WORKERS IDENTIFICATION--The Department of Home Affairs has sent out about 192,000 letters in the past week to employers all over the country to enable them to distinguish between legal and illegal workers. The director general of home affairs, Mr Gerrie van Zijl, told our Pretoria staff that there were about 1.3 million illegal workers in the country. Mr van Zijl said the country would have to take steps against them in view of the unemployment situation. [Text] [Johannesburg Domestic Service in English 0500 GMT 17 Oct 86 MB] /7358

CSO: 3400/223

SOUTH AFRICA

INKATHA OFFICIAL PROPOSES WESTERN ANTIAPARTHEID AID SCHEME

MB191252 Johannesburg SAPA in English 1236 GMT 19 Oct 86

[Embargoed until 1700 GMT on 19 October]

[Text] Frankfurt, West Germany, Oct 19, SAPA--A radical multi-billion dollar aid plan for the West to induce the total elimination of apartheid and poverty in South Africa was put forward here today by the secretary-general of Inkatha, Dr Oscar Dhlomo.

Dr Dhlomo, who is also KwaZulu's minister of education and culture, outlined the plan before a broadly representative symposium held by the foundation for European and international co-operation.

It involves a highly innovative procedure whereby the South African Government would, with explicit apartheid-eliminating provisos, be offered international aid enabling it to offset the cost of dismantling apartheid.

The initiative, which Dr Dhlomo called the South African Recovery Plan or SARP, would be based on the need to ensure an annual growth rate of at least 10 per cent.

A stipulation would be that the massive Western aid should not be construed as a means of enabling Pretoria "to continue to waste money on ideologically inspired fantasies like homeland consolidation."

A team of eminent representatives of the Commonwealth, the European Community and the United States would be appointed to persuade South Africa to begin negotiations immediately for the establishment of a non-racial government on the basis of equitable power sharing. Dr Dhlomo emphasised that any suggestion of prescribing to the South African Government what form its evolving political system should take must be avoided by the West--this was a task for South Africans alone.

It was not possible at this stage to quantify the cost of launching the Western initiative. A useful benchmark would be the European recovery programme, funded by the Marshall Aid plan, which cost approximately 13 billion dollars (about R28 million) between 1948 and 1951.

Dr Dhlomo warned that the government was unlikely to offer any major reforms while violence continued and that violence was likely to continue in the absence of such major reform. The impending black unemployment and starvation caused by sanctions could further increase violence. An equally Catch-22 situation was that there would be no reform without economic growth but no economic growth without reform. Seen in this light, sanctions against South Africa appeared to be part of the problem and not part of the solution. All Western approaches to the dismantling of apartheid and the promotion of peaceful change and negotiation in South Africa had been negative and punitive. "Consequently," Dr Dhlomo said, "the South African minority rulers, who are the perpetrators of apartheid, have never been afforded an attractive and feasible inducement to work for the rapid dismantling of apartheid." Its dismantling had been portrayed wittingly or unwittingly as heralding black majority rule and the inevitable trampling over white minority rights, bringing a dreaded lowering of socio-economic standards and endemic all-round inefficiency. This was the perception most South African whites had of black-ruled African states. The approach should emphasise SARP's constructive and helpful aim of getting South Africa out of international isolation and universal rejection. In effect it would be helping the country to help itself.

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CSO: 3400/244

SOUTH AFRICA

TRANSKEI MINISTERS DEFEATED IN ELECTION 'UPSETS'

MB171924 Johannesburg SAPA in English 1921 GMT 17 Oct 86

[Text] Umtata, Oct 17, SAPA--The long-awaited Transkei general election results were announced in Umtata this afternoon revealing major upsets: four senior cabinet ministers were defeated, 16 independents grabbed seats from government candidates and the two-man opposition gained a third seat.

The four cabinet members to lose their seats in the September 25 election for the 150-seat national assembly are:

--The minister of justice, Mr Ramsey Madikizela, (Ngqeleni);

--The minister of health, Dr Charles Bikitsha, (Butterworth) who also lost his deposit.

--The minister of foreign affairs, Mr Mtutuzeli Lujabe, (Confimbaba); and

--The minister of agriculture, Mr E.Z. Booi, (Lady Frere).

Other notable losers were the chairman of the Transkei development corporation, Mr A.T. Sigcu and a former secretary for education, Mr Theophilus Mbambisa, both of Umtata who had been earmarked for cabinet posts.

The ruling Transkei National Independence Party [TNIP] won 48 seats in addition to the six seats returned unopposed, the independents took 16 seats and the Democratic Progressive Party [DPP] two seats (its other seat is held ex-officio by Chief Ntsikwayezwe Sigcau, of Tabankulu).

In 1963 the TNIP pipped the opposition at the post by a mere five seats, but over the 23 years the ruling party, under Chief Kaizer Matanzima, and later his younger brother, Chief George, gained bigger margins at each election until the official opposition was left with only two seats.

DPP's two elected seats, according to today's results, are in Bizana. Their new member is Mr Daniel Ganville, a 46-year-old insurance salesman. The other is held by Mr Caledon Mda, leader of the opposition.

New members of the assembly tipped to gain cabinet posts are the former Tanskei commissioner of police and head of the security police, General Martin Ngceba of Idutywa; Prof Digby Koyana, dean of faculty of law at the university of Transkei, returned unopposed in Elliotdale; and Mr Caleb Songa, a deputy secretary for education, who won in Lusikisiki.

Eight cabinet ministers retained their seats. Among them the prime minister, Chief George Matanzima, polled the highest votes, 19,408, in his constituency of Cofimvaba.

The all round percentage poll was considered to be exceptionally high, in fact the highest since the country gained self-rule in 1963.

Political observers attribute the high poll to an apparent dispute between the Matanzima brothers. The former state president, Paramount Chief Kaiser Matanzima, had encouraged independents to oppose official party candidates because he believed the electorate should vote for representatives without being dictated to by the head of the party.

He had objected to party procedure that TNIP candidates were chosen by district committees. His objections were ignored and he mobilised independents to oppose the official party candidates.

Of the 150 seats, 75 are elected. The other seats are held by chiefs who are ex-officio members.

The election was contested by 166 candidates.

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CSO: 3400/244

SOUTH AFRICA

ANC PEOPLE'S ARMY COMMISSAR ON NATURE OF INTERNAL STRUGGLE

EA211355 Addis Ababa Radio Freedom in English to South Africa 1930 GMT 20 Oct 86

[Text] [Announcer] Compatriots, tonight in our program we shall present to you an exclusive interview with Comrade Chris Hani, a member of the National Executive Committee of the ANC and commissar of our People's Army, Umkhonto We Sizwe. As we know that last year in June [as heard], our vanguard movement, the ANC, held its second National Consultative Conference in Zambia. That conference reaffirmed that our strategy remains that of combining a heightened mass political advance on all fronts and an escalated and resolute military offensive. That was the spirit that dominated our conference and that is the order of the day. We just asked Comrade Chris Hani to characterize the level of our armed struggle, especially after that second National Consultative Conference.

[Hani] That sort of emphasis which was made at our National Consultative Conference last year rose out of the recognition of certain objective factors in our country. If you recall, this was the year after the most massive form of militant mass action by our people which started in 1984, at the time of the tricameral parliamentary elections. Our people had literally engaged the enemy in mass struggle, boycotting the elections, refusing to pay rent and as a result, some of them lost their lives. So we have got a situation of the readiness of the people of South Africa, the oppressed people of South Africa, to take on the enemy.

Exactly at this time, the ANC has emerged as the undisputed guide of the revolution. People related to the ANC, our people accepted its leadership. There was a focus, for instance, on the release of political prisoners. Everybody was speaking about the ANC. We analyzed this as a result of the earlier forms of armed struggle conducted by Umkhonto We Sizwe. As you know now, the earlier forms of armed struggle were characterized by armed propaganda, in other words, units of Umkhonto We Sizwe attacked installations and attacked personnel in order to push the ANC before the people of South Africa, in order to make the people realize that their vanguard is the ANC.

Now we are all convinced that Umkhonto We Sizwe achieved this objective. So this objective having been achieved, there was a need to move forward. Now what was the next step forward? Conference agreed that the next step forward was the transformation of armed propaganda into people's war.

Why this transformation? I have said earlier that the people have come out to confront the enemy. The people are becoming now a component part of the struggle against racism and against apartheid. Now when we say people's war, what do we mean? The characteristic of a people's war is the participation, simply stated, of the people in the struggle. The people themselves begin to embrace the struggle to participate at different levels of the struggle: mass struggle by getting organized in trade unions, by getting organized in mass community organizations, by getting the youth organized into youth organizations and student organizations so that they respond to the repression, to the extreme repression that the enemy is meting out to the people on a daily basis by discussing strategems of confronting the enemy and by implementing the strategems.

Now, the second aspect is that the people begin also to embrace the armed struggle. They begin to feel that they have got a role to play. And in our situation, what role are they playing? The role that the masses are playing in our situation is providing cadres and recruits for Umkhonto We Sizwe, the people's army, and by providing shelter to the cadres of Umkhonto We Sizwe as they move to attack the enemy, by providing also vital information to Umkhonto We Sizwe, by participating in the underground of the ANC and also in the expansion and training of Umkhonto We Sizwe, virtually throughout the country. We are now in that stage. We have entered this phase and we are beginning now to consolidate this phase of a people's war.

And there have been notable and there are very interesting examples of the participation of the people in the armed struggle. In places like Alexandra, Atteridgeville, Mamelodi, Soweto, Crossroads, New Brighton, (Kwazakele) and the Cape, Umkhonto We Sizwe actually has been fighting shoulder to shoulder with the people.

There are certain instances where when the people confront the police, confront the SADF [South African Defense Forces]; there have been the units of Umkhonto We Sizwe using AKs and using grenades. In areas like Mamelodi, for instance, land mines have been planted to block the advance of Kasspirs and APCs, all these vehicles which are being used to transport racist members of the SADF and the police to harass and butcher our people in the townships. So now there is this growing action or, if you like, collaboration between units of Umkhonto We Sizwe and the people themselves. And one notable feature of the present situation is that our comrades now are able to get into the country to survive amongst the people for much more longer periods than before and this is an indication that the people accept and embrace Umkhonto We Sizwe and now we are beginning to get the ingredients of the people's war.

[Announcer] Now do you say that there has been actions of grenades and things like that, are these actions carried out by the so-called defense units and combat units which the ANC has called to be formed? And maybe you could also give us light as to what advances have been made to achieve that objective of forming self-defense units.

[Hani] I have referred to the grenade units, grenade groups inside the country. I have referred to units armed with MK and pistols engaging the enemy. There are two sides to the question you have raised. There are units which are well-trained MK units, engaged in battles in the different parts of our country. Units, for instance, the recent example of that old unit commanded by the late comrade, Comrade (Xongi Mulapa) in the East Rand. I am referring, for instance, to units around Pretoria (Maboakwale), (Wintersrand), units responsible for eliminating that which are [words indistinct].

They are units which carried out a much more effective operation eliminating the strong men of the puppet government in Kwandebele [words indistinct]. There are these units which have been carrying out consistent actions against installations in Durban, these are what you would call crack units of Umkhonto, well-trained. On the other hand, we have got some units which have been trained inside the country by our comrades of Umkhonto We Sizwe. After undergoing this training, these units are equipped with grenades, are equipped with AKs in order to harass the enemy as it moves into the townships. These are the units which we can refer to as the combat units, as the people's defense units. We have got a program now which we are tackling with all the vigor, training these units on the ground and equipping them in order to engage the police. In order to make the movement of the police and the army very, very difficult and in order to sustain the momentum of the struggle, to inspire our people with morale, to make our people feel that it is not only the enemy which has got the monopoly of violence, of using modern weapons, and that we are beginning in a way to master this very difficult process of equipping ourselves with weapons and of acting against the enemy using modern weapons. In other words a process of moving away, though we shall never move away completely, from the sole use of petrol bombs and stones. In other words, we are beginning to introduce an element of sophistication in the people's war against the enemy.

[Announcer] And so what would be your advice to these defense units as commissar of the People's Army in order for them to strengthen themselves and to spread the people's war?

[Hani] Well, the advice of our army, of Umkhonto We Sizwe, to these people's defense units which are beginning now to grow and spread throughout the country is that the most important thing is to get weapons. Now the question will arise: Where should they get weapons? We are trying our best to send weapons inside the country. But it is virtually unthinkable that we are going to be able to arm literally millions of young people who are ready to take on the enemy.

Our people must understand that they are their own liberators, and that they are going to play the most decisive part in the armed struggle against the racist regime. Therefore, what should be the main priority? The main priority, surely should be for our youth, for our people, their units, for the combat units, for the defense units that our people have created to grab weapons from the enemy. Allow me to elaborate. That regime which is relying [words indistinct] solely on violence is arming the entire white population to defend apartheid. The regime is overstretched. It is maintaining the most extreme form of repression seen for many years. The same regime is occupying Angola.

That same regime is occupying Namibia. It is engaged in a number of destabilizing actions in southern Africa. So for it to maintain its superiority over our people, it has got to arm as many whites as possible.

But that is not enough, as the regime was to understand. The regime now is realizing that whites alone can no longer defend white superiority, can no longer defend apartheid. So that regime is a colonial (?history), and in our study of the behavior of colonialists everywhere, we realize that they have always depended on the collaboration of what we call the natives in maintaining the rule of or the grip of colonialism. Equally, in our country they have got to make use of our people in order to maintain and sustain apartheid and racist domination. Hence, for instance, the establishment of Bantustan and the creation of the Bantustan puppet army. Hence the arming of the black police who were not armed 15 years ago. Now those are the sources of weapons. Our people must start to disarm those people. For every gun that we have, whether an AK or a grenade, use it to get more weapons from the other side. Use it to get R-4's, grenades, R-1's, a variety of weapons from the other side. Use it to get weapons from the puppet armies in the Transkei, Ciskei, Venda, Bophuthatswana. Use it to get weapons from the farmers who, I mean, each farmer has got a ballistic (?rifle) or weapons, it is a ridiculous situation. Each farmer has got three or four weapons.

So our people must know that raids against all these objects in order to capture weapons are an important way of the masses getting armed.

[Announcer] What then can be the role of the black policemen who have decided to break ranks with the repressive machinery?

[Hani] The black police, as well as the black members of the SADF, first of all, we know, comrade, that objectively they have no stake in racist domination and apartheid. Politically they have no power, they do not have the vote, they do not have, rather they have got problems of housing, their children go to Bantu education schools and we also know that in the course of this mass upsurge of our people as our people, for instance, have been dealing with collaborators and puppets, the black police have had to flee the townships in many cases. The whites have not accommodated the (?salve) police in the white suburbs. They have given them tents at the black police station.

We ought to tell our black policemen--try to hand over weapons to these brave and courageous and heroic fighters of Umkhonto We Sizwe. But, if they do not want to, we have the duty to disarm those police, to use every method to disarm them, to get weapons they are using against our people. In order to arm ourselves, in order to deal with the enemies of our revolution, so that we keep on the process of the freedom of our people.

[Announcer] The ANC has also called on the workers from the factory floor to be engaged in people's war, how could they be involved in people's war when they are only in the factory?

[Hani] Well, the workers, comrade, as the document on the strategies and tactics of our movement says, they form the backbone of our revolution. Why do we say they form the backbone of our revolution: That the most cohesive plan [words indistinct] towns and (?segregation). In the past 2 years they have acquitted, comrades, an incredible level, high level, of political and class consciousness. What do I mean by this? Our workers are becoming militant. Our workers have realized the need to join trade unions.

Not trade unions in the soft Western sense of just fighting for improvement of living and working conditions, but trade unions which are quickly realizing that the liberation of the black people is the key thing, that most of their problems will be solved as a result of political liberation, of social emancipation. And now these workers if, as we correctly say, they are a decisive element in our struggle, it means there must be a decisive element in all forms of struggle. In the political struggle, in the trade union struggle, in the mass struggle, as well as [words indistinct], therefore they participate in that struggle. There are many ways in which the workers must participate in that struggle. Especially, Umkhonto We Sizwe has got a duty to train workers detachments and to equip these workers detachments, so that they can act in a number of ways. They can use explosives and mines to attack economic installations.

In this case, for instance, we know the role of the transnational corporations in our country. They are participating in the crime of exploiting our people. They are helping Botha to give a false impression of prosperity, which is not false in a way because the whites are enjoying prosperity. The transnational corporations are on the side of our oppressors. So the workers must participate in destroying those industries which belong to the transnational corporations.

Secondly, our workers are engaged literally every day in strikes against the capitalist class. And the natural reaction of the capitalist class is to first [words indistinct] hundreds and thousands of (?workers). So for instance, in the trade of platinum [words indistinct] the workers who resist struggle, this is a form of [word indistinct] by the enemy and the workers have got to organize revolutionary violence in response to this form of violence. And the workers must act against such [word indistinct]. They must use revolutionary violence. They must plant mines, they must flood [words indistinct], they must deal with all managers, directors and captains of industries who display hostility to the workers demands.

We move to another element to the workers struggle--to the workers' unity in the factory. Workers must not feel that without TNT, plastic explosives, without the limpet, without an AK, that there are no other ways of breaking down the machinery. There is what you call cold demolition.

Let me give a very short explanation. Workers now having worked in some of these factories are experts in the way these machineries, you know, are operated. They know that by removing just one screw, one nut, one bolt, that machine will not move for instance for another 2 days. They know that by pouring fat or even sugar, for instance, that machinery can have a lot of problems.

So the workers, because they know the technical way of operating these machines, must use in a very clever and ingenious manner, must make it impossible for these machines to operate, whether they could do this, for instance, as their own response to a call for a strike on a particular day. For instance, if the protest when the regime butchers our people, when it is those workers which work in the armament industry, they can do this in order to slow down the process of producing more bullets, the process of producing more weapons [sentence as heard]. In other words, there is a variety of methods of ensuring that the productivity of South African industry is slowed down and this task belongs to South African workers who are oppressed and exploited both by the ruling class and by the capitalists.

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CSO: 3400/244

SOUTH AFRICA

BILL TO GIVE BLACK WOMEN MORE RIGHTS

Johannesburg THE CITIZEN in English 9 Oct 86 p 12

[Text]

CAPE TOWN. — A Bill which will give Black women the right of ownership and will increase the punitive jurisdiction of chiefs and headmen was published here yesterday.

The Constitution Laws Amendment Bill proposes amendments to the Black Administration Act to bring these changes about.

It proposes that notwithstanding any law affecting the "status or contractual capacity of any person by virtue of Black law and custom", the capacity of a Black woman to perform any juristic act with regard to the acquisition of ownership "under any law" be enforceable by or against her "as if she were not subject to Black law and custom".

The Bill also proposes that:

- The maximum fine that may be imposed by chiefs or headmen in trials held under the Black Authorities Act be increased from twenty pounds to R200;

- National States be empowered to appoint representatives to represent their interests in the Republic;

- The name of the Commission for Cooperation and Development be changed to the Commission for Constitutional Development;

- South West Africa be excluded from the operation of the Black Affairs Act;

- The State President may withhold his assent to a Bill passed by the Legislative Assembly of a National State if he believes the Bill is inconsistent with the National States Constitution Act or relates to a matter beyond the jurisdiction of the Legislative Assembly;

- Non-elected management bodies may enjoy temporary representation on regional services councils; and

- That the State President's powers under the Constitution Act be extended to allow him to appoint assistant as well as deputy Ministers. —Sapa.

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CSO: 3400/226

SOUTH AFRICA

PLASTICS PLANT OFFICIALLY OPENED IN CISKEI

Port Elizabeth WEEKEND POST (Business) in English 4 Oct 86 p 1

[Text]

A NEW R3,4-million plastics plant has been officially opened in Dimbaza, Ciskei.

The plant — housing the rigid plastics operation of Anglovaal subsidiary Consol Ltd — covers about 5 200 square metres of factory and warehouse. There is 3 000m² for expansion.

It provides work for 101 Ciskeians.

The plant runs on a 24-hour, five-day-week basis and operates blow-moulding and injection moulding operations, producing an average of 1,8 million units a month.

Products manufactured include containers for scouring powders, soft drinks, detergents and household cleaners, fabric softeners, cordials, foods and swimming pool chemicals.

This is the fourth rigid plastics plant in Consol Plastics.

Mr Trevor Meredith, divisional manager of Eastern Cape Rigids, said:

"I am extremely pleased with the speed with which this operation has come on stream following the ongoing support of the Ciskei People's Development Bank which has contributed enormously to the successful commissioning of this plant.

"The creation of this factory has also resulted in more than 100 job opportunities, the benefits of which have been felt by both our employees and their dependants, within Ciskei."

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CSO: 3400/226

SOUTH AFRICA

COMMENTARY CALLS ON BLACKS TO SOLVE EDUCATION CRISIS

MB181105 Johannesburg SOWETAN in English 17 Oct 86 p 4

["Black Education: The Elusive Target" by Muntu Myeza, publicity secretary of the Azanian People's Organization]

[Excerpts] Firstly, the education crisis concerns black people, their social, political and economic well-being. It is axiomatic that the dominant ideas in any society are those of the ruling class. In the South African context the dominant ideas are those of the minority white ruling class as against the majority black oppressed.

When all is said and done the Verwoerdian steam-engine still ploughs ahead oblivious of all else save its mission in history--to maintain the status quo between the ruler and the ruled. Unless the elementary lessons in changing societies are observed, black education will remain in crisis.

Some of the chief elements that have to be recognised about black education are these:

--The divide and rule policies of the Government create the impression that white values, culture and norms are superior;

--Racism and ethnicity are promoted thus showing pupils that they are inferior but should aspire to attaining white standards;

--Whereas whites are oriented to think in national terms blacks are encouraged to think in parochial and ethnic terms;

--The current system of education encourages the process of alienation because the school has been dissociated from life and society; and

--The pupil must be at school and only later join the stream of life and society. This leads to the alienation of the students from their parents and vice versa.

The system of education, in typical capitalist mode, inculcates a sense of bitter competition and intense rivalry. A false sense of identity is created

by the idea that South Africa is a Western country, thus condemning ideas and models from other African countries and the rest of the world that eschews the Western model of society. This attitude reinforces the superiority complex that whites have about themselves and is being forced down the throats of the black student.

Only whites can vote in South Africa. The ostensible "reasonableness" and "reform" that are being paraded must be seen for what they are--an attempt to absorb the pressure and deflect the blows that are being inflicted on the Government's armoury.

Education is a crucial weapon in its arsenal to maintain the status quo. The Government will, therefore, make any pseudo-concession as long as that does not interfere with the primary purpose of its ideology.

The government and all its supporters, consciously or unconsciously understand the importance of education and their role of it. Otherwise why would various big companies and governments, particularly the Americans, pump millions of rands into black education and lure hundreds of students to their countries to study this or the other?

All other reasons are secondary to the one that blacks must be employable. They must be able to work within parameters that have been created for them. The rewards for compliance are generous.

As black people, the education problem is our problem. We must find the solution.

What has eluded us thus far is the recognition that liberatory education and sectarianism among ourselves are incompatible.

Sectarianism is predominantly emotional and uncritical. It is arrogant and against communication. The sectarian disrespects the choice of others, he acts without the benefit of the vigilance of reflection. The sectarian sloganises the pace.

The sectarian does not consult nor attempt to convince or persuade others. He coerces. In short, the sectarian is a loser who wonders why he lost. The simple reason being that he runs a sprint when all others are girded for a long-distance race.

What needs to be done is to understand that black education must have a liberatory effect.

Education for liberation is not confined only to institutionalised schooling. This type of education is to be found neither in empty shiboleths or aged manuscripts. It is to be found in the integration of the black man with his environment and his relationship with other humans, the merging of the past with the present and the movement towards changing society for the better.

Black consciousness does not profess to be the panacea of all injustices and oppression. What we are prepared to do is to subject every theory, ours included, to the uncompromising crucible of theory and practice. The problem of black education must be tackled by blacks themselves with a black perspective.

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CSO: 3400/244

SOUTH AFRICA

BRIEFS

OUKASIE RESIDENTS REJECT FORCED REMOVAL--Forced removals are still taking place in South Africa. At a meeting today at the Oukasie township near Brits residents rejected government plans to move them to a new settlement. Constitutional Development and Planning Minister Mr Chris Heunis announced last week that Oukasie was being abolished and said its 10,000 residents must move to Lethlabile, a new town about 25 km away. An Oukasie community leader said that residents' move to the new settlement must be a voluntary one. Civil rights groups have slated Mr Heunis' decision, saying it is reversal of the government promise last year to stop the forced removal of black people. Mr Heunis said Oukasie was unhygienic and would be too costly to upgrade. Community leaders dispute that, saying the real reason for the decision is to clear the way for a new whites-only suburb in the area. [Text] [Umtata Capital Radio in English 1600 GMT 19 Oct 86 MB] /6662

'TOTAL' SCHOOL BOYCOTT IN PORT ELIZABETH--Port Elizabeth Oct 18 SAPA--A spokesman of the Department of Education and Training [DET] said today there had been widespread boycott of classes in Port Elizabeth black schools over the past three weeks. Mr Peter Mundell, DET liaison officer, said the boycott was "total," adding it was "pointless to leave the schools open." A number of black schools in the country have been shut down due to class boycotts this year. Pupils demand the unconditional release of detained teachers, withdrawal of troops from school premises and the postponement of year end exams, before the situation is resolved. [Text] [Johannesburg SAPA in English 0938 GMT 18 Oct 86 MB] /6662

PAC WELCOMES UNION UNITY--The Pan Africanist Congress of Azania welcomes the unity initiative last week between the Council of Unions of South Africa and the Azanian Congress of Trade Unions, the PAC secretary for labour, Cde Ngila Muendane, has said. "Workers in Azania form the backbone in the struggle for national emancipation and it is, therefore, even more important that they should unite to brace themselves for the long struggle that is before us." Cusa and Azactu are trade union federations with 22 labour union affiliates throughout South Africa. Cde Muendane said the PAC was happy that many of the unionists who attended current unity talks between the two federations had been able to do so despite considerable pressure and threats by the regime. "The PAC is with you at the unity talks as we draw inspiration from your deliberations and foresight," he said. [Text] [Harare THE HERALD in English 6 Oct 86 p 5] /9317

RISE OF NUM--At least 250,000 black coal and gold miners stayed away from work on October 1 in response to a call by the National Union of Mineworkers for a day of mourning for the 177 victims of the Kinross gold mine disaster of September 17. It was the country's largest work stayaway yet in any industry with the NUM claiming that 325,000 of its members heeded the call. A further 225,000 workers in other industries took lesser supporting action. The NUM general secretary, Cyril Ramaphosa, said memorial services had been held at virtually every mine where the union has a strong presence. The six big mining houses admitted that 250,000 employees absented themselves from work. I.O.N.--The NUM is steadily gaining influence among black miners and the numbers following its dictates are growing. Mr Ramaphosa is forging a powerful weapon that will have an increasing impact on South Africa's chief money-spinning industry. The stayaway coincided with the formation of a Pan-Africanist Congress-orientated 350,000-strong trade union federation in the Transvaal, merging the Council of Unions of South Africa and the Azanian Confederation of Trade Unions in another powerful grouping that will have an influence on the political situation. [Text] [Paris THE INDIAN OCEAN NEWSLETTER in English 11 Oct 86 p 5] /9317

CSO: 3400/250

SOUTH AFRICA

NGSK RESCINDS SCHOOL BOYCOTT SUPPORT

MB080940 Johannesburg SAPA in English 0929 GMT 8 Oct 86

[Text] Cape Town, 8 Oct, SAPA--The NG Sendingkerk [Dutch Reformed Mission Church, NGSK] synod today overturned its decision of last week supporting school boycotts. It took its decision under review after the assessor and former moderator, the Rev Isak Mentor, objected to the way in which voting had been handled on October 3 and that the discussion then had inter alia not taken note that the disruption in schools was closely linked to political and economic actions which brought about much pain, suffering and loss of life and property. The synod voted for revision by a margin of eleven votes (221 to 210) and later overturned its decision in favour of Mr Mentor's amendment by a margin of seven votes (213 to 206).

This morning's revision is seen as a personal defeat for the new moderator, Dr Allan Boesak, who read out a statement on behalf of the moderation minutes before Mr Mentor gave notice of his revision. The statement, which Dr Boesak later told the synod had been discussed with Mr Mentor as assessor, but which did not have his approval, was aimed at explaining last week's decision of the synod, stressing that it was not carte blanche for any type of student action. The statement also called for responsible action on the part of students within the South African situation. On the proposal from a previous moderator, the Rev Dawid Botha, the statement was made a decision of the synod.

Mr Mentor said he was deeply grieved at the way in which the statement had been issued to influence the synod on an issue on which revision was pending. He then called for the revision in terms of a five-point decision which also pointed out that, in taking the decision, the synod had not taken into account or given enough weight to the fact that it was particularly the poor and defenceless parents and children who were hardest hit by the disruption of education. "For obvious reasons this section of the community cannot afford the time and money the boycotts are consuming," his motion read. "Sufficient account was also not taken of the right of parents and children who wish to make maximum use of educational facilities." He said that although he did not want to question the integrity of vote counters, it appeared that there were differences in the totals given for the same blocks of delegates.

After the synod voted in favour of revision, it was decided, in view of a lack of time (the synod is due to end at lunchtime today) that only one speaker and

Mr Mentor, his seconder and the proposer and seconder of the original motion would be given the floor.

A Witbank delegate, the Rev D. Bantom, said he had three grown-up children and lived in an area which had no facilities such as those on the peninsula and it cost him R2500 in travel expenses alone to get them to the University of the Western Cape. "People here who have decided on the future of our children are people who have already arrived at their future," he said. "Our children are still on their way, while they are already there. Many of them have children who are not even at school yet, how can they speak in the same class as us who have heavy financial burdens to bear?"

Mr Mentor said he was forced to send his child to a private institution, even though he couldn't afford it.

Mr Mentor said: "I think of that vast majority who cannot afford it and has no option under these circumstances but to send their child out to work." He then moved that, since education is an irreplaceable asset of the youth as preparation for a worthy adult life;

--"And since boycotts at schools and other educational institutions are generally accompanied by large-scale intimidation which deprives those who wish to continue their studies unhindered of that freedom and right;

--"And whereas mainly the poor and defenceless are hit hardest as they cannot afford to send their children to private schools;

--"And whereas many children and young people's school and study careers are frequently ruined by boycott actions;

--"And whereas discipline is undermined by these actions and is threatened to be destroyed;

--"And whereas educational standards will of necessity be lowered by the disruption of classes and undermining of discipline:

"The synod decides:

--"That the decision of October 3, 1986 on stayaway action at schools and other educational institutions is revoked;

--"That the synod rejects totally the disruption of teaching programmes at schools and other institutions; and that

--"The synod underlines the need for an educational system which is acceptable to the entire population."

The proposer of the original motion, the Rev Pieter Fourie of Witteberge and his seconder, the Rev Chris Loff of Phillippi, argued that a condemnation by the church would cut off communication with the youth and close all avenues of

discussion and advice. The church had much to offer from its Christian traditions which included boycotts and which could assist students to answer those who wanted to resort to violence, tragically an ever-present by-product of boycotts. "We understand very well that nasty and evil events often accompany these actions but do not think that if the church condemned them, as it did with dancing, that it will result in the reality vanishing," Mr Loff said. "Our decision of last week does not mean we are saying that the youth must boycott, it only says we have understanding of it. If we condemn it we are eliminating the possibility of discussion with them," he said.

Mr Mentor's amendment was put to the vote and carried by a majority of seven.

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CSO: 3400/164

SOUTH AFRICA

NGSK SYNOD VOTES FOR DIALOGUE WITH ANC, PAC, SACP

MB081146 Johannesburg SAPA in English 1138 GMT 8 Oct 86

[Text] Cape Town, 8 Oct, SAPA--The NG Sendingkerk [Dutch Reformed Mission Church, NGSK] synod decided today that its moderature was to open dialogue with the ANC, the PAC [Pan-Africanist Congress] and SA Communist Party [SACP]. A late motion was put to the synod by the Rev Izak Potgieter of Vanwyksvlei on behalf of the circuit of Amandelboom and said that the view held by the circuit was that communism was becoming a general scapegoat and that closer investigation was required. There was concern that it was possibly being used as a bogeyman to suppress black nationalism in South Africa. In his motivation he referred to the hysteria "when our moderator (Dr Allan Boesak) and Dr Beyers Naude appeared under the red flag at a funeral. If we are going to such lengths to take the Gospel into the Soviet Union, why do we get so hysterical?" The motion was carried by 229 to 171 votes.

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CSO: 3400/164

SOUTH AFRICA

COLOREDS REPORTEDLY JOIN 'BRAIN DRAIN'

MB101017 Johannesburg THE STAR in English 9 Oct 86 p 7

[Text] South Africa's brain drain is gathering momentum, and now technically qualified coloured people are joining their white counterparts in the rush to take up lucrative posts overseas.

The managing director of a prominent personnel agency, Mr Don Jones, told THE STAR that worldwide shortages of high technology skills had dramatically increased the flow of this category of employee out of South Africa over the past year.

"There has been no noticeable trend since the three recent sanctions packages were imposed, but this will undoubtedly increase the flow and in another six to 12 months South Africa will really start to feel the loss of these people."

Mr Jones said the political situation here was making South Africa an ideal hunting ground for countries such as Australia, New Zealand and Britain in their search for high tech staff for the computer, instrumentation and electronics industries.

"What makes things worse is that South Africa is now finding it far more difficult to attract these types of people from the UK, as it has done in the past, with the result that the imbalance is widening."

Mr Jones said while an estimated 10 to 20 percent of those who left South Africa often returned, it would be almost impossible to train new recruits fast enough to make up the difference.

Most of the "equal opportunity" companies in the country were training high tech staff of all races, but not nearly enough to prevent a possible drastic shortage within the next year.

"The response to overseas posts by South Africans in the past year had been phenomenal. And not only in the high tech areas. We are also losing extremely important and rare skills, actuaries and other management specialists."

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CSO: 3400/164

SOUTH AFRICA

CAPE TEACHERS GROUP CALLS FOR LIFTING OF EMERGENCY

MB181803 Johannesburg SAPA in English 1732 GMT 18 Oct 86

[Text] Port Elizabeth, Oct 18, SAPA--Members of the Cape Teachers Professional Association [CTPR] today called on the government to lift the state of emergency and release all detainees.

The call was made through the association's deputy president, Mr Randall van den Heever, at a meeting in the West End community hall, Port Elizabeth.

"The association once again wants to call upon the government to lift the state of emergency, which is now dragging through for the fifth month," he told about 100 teachers at the annual regional conference.

The CTPA was especially concerned, he said, about "the hundreds of teachers, pupils and community leaders in detention, and asks for the immediate release of these detainees."

Despite daily reports about a decrease in violence since the emergency was announced in June, everybody was aware that "renewed unrest" lay beneath the surface of the "apparent peace".

Mr van den Heever referred to the "disturbing deterioration" in the situation at black schools.

That, as well as the transfer of black teachers and the continuing school boycott, served as a memory of the "fiery opposition" which still existed against the present education system.

Mr van den Heever criticised the SABC's television programme, network, for discrediting black leaders whose children were studying at private schools.

He said the SABC's criticism of the leaders amounted to a form of incitement.

"As such, it is unconditionally condemned by the association as a deed of short-sighted prejudice," he said.

The association repeated its appreciation of the "productive manner" in which pupils applied themselves to their studies after the unrest in the 1985 school year.

It remained convinced of the need for education as a key instrument towards freedom, and was happy pupils appeared to accept that priority.

Mr Van den Heever said he wanted to make a friendly call to the Ministers Council in the House of Representatives to honour the CTPA's right to make independent decisions.

The Ministers Council was also asked to recognise the CTPA's status as the "most legitimate" representative of the organised teachers profession.

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CSO: 3400/245

SOUTH AFRICA

PFP'S EGLIN NOTES 'HARDENING' FOREIGN FEELING

MB081015 Johannesburg SAPA in English 1011 GMT 8 Oct 86

[Text] Johannesburg, 8 Oct, SAPA--Although many people overseas might concede economic sanctions against South Africa would not bring an end to apartheid, they were determined political action should be taken, the leader of the Progressive Federal Party [PFP], Mr Colin Eglin, said today. Speaking to reporters at Jan Smuts airport after a 10-day trip to attend two international congresses in Hamburg, West Germany, he said he had noticed during a number of overseas trips in the last four months a "hardening of feeling" towards apartheid. "Whatever the state of emergency might have achieved internally, it has certainly not helped South Africa's image outside. People are determined to take political action...economic sanctions is one such action even though many people don't believe this will change apartheid."

Mr Eglin said he had attended an economic conference of the Friedrich-Naumann foundation, dealing mainly with international trade between developed and developing countries, and the annual congress of Liberal International, which was a grouping of central political parties from many countries. The PFP had observer status at the latter congress, where Mr Eglin delivered a paper and participated in debate on sanctions.

Mr Eglin said he had laid out his party's opposition to economic sanctions against South Africa and its view that solutions imposed from outside would not solve internal problems. He had explained that sanctions "are more likely to prolong the life of apartheid than reduce it, as it will lead to a hardening of white opinion and less emphasis on reform." Unemployment would escalate and social conditions in black townships would deteriorate, with increased conflict and polarisation the result. "I said that if we want to get rid of apartheid then what is needed is a vast programme for socio-economic upliftment and reconstruction...this cannot be done in a time of depression."

Mr Eglin said his impression was that a number of delegates to both conferences --particularly from developing countries--had understood his viewpoints and were even prepared to concede he was right. "But in spite of this they are still determined to go on with political action."

Mr Eglin said he had tried to present a balanced picture of South Africa, stating the facts and changes that had taken place. There were, however, two questions that had consistently been put to him and which he felt should actually be answered by the National Party [NP] government.

Firstly, the state president, Mr P.W. Botha, had repeatedly stated apartheid was "an outdated concept" but only recently, at the NP's Cape Congress in East London, he had said the Group Areas Act would remain as long as he was in power. This showed Mr Botha's inconsistency.

The second question dealt with the process of reform and the fact that after 38 years in power, there was still not one black in South Africa who could vote for parliament. "People are mystified that the government has not yet found a formula," Mr Eglin said.

Asked what his message to South Africans was, the PFP leader said, "I don't believe we should be bullied from outside, but I do believe that the very changes we must make inside are the ones that will stop the action outside." It was of critical importance that a start was made with serious negotiations with black leaders in South Africa.

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CSO: 3400/164

SOUTH AFRICA

PFP HOLDS MEETINGS IN JOHANNESBURG ON 'CRISIS' IN COUNTRY

MB220509 Johannesburg SAPA in English 0124 GMT 22 Oct 86

[Text] Johannesburg, Oct 21, SAPA--South Africans now had to choose what sort of country they wanted for themselves and their children, Mr Brian Goodall, MP for Edenvale, said tonight.

Mr Goodall was addressing a meeting in Bedfordview--one of 11 meetings which the PFP [Progressive Federal Party] held in the Johannesburg area tonight on the theme "South Africa in Crisis."

Mr Goodall said it was possible to find a solution to the country's problems, "but then the moderates of all colours must not allow the political pace to be determined by the radicals of the left or the right."

He therefore exhorted all those who believed in the philosophy and principles put forward by the PFP to heed the advice of St Paul to the early Christians, namely, to participate in the race and to run it to win.

Dr Marius Barnard, MP, told a meeting in Parktown, that South Africa had seen very important legislation repealed this year, for example the pass laws. People were now considering the repeal of the Group Areas Act and the Separate Amenities Act, he said.

However, Dr Barnard felt that the only impact that would be made was if the "masters and architects of apartheid, i.e., the Nationalists, were removed from office."

In Lenasia, Mr Pupert Lorimer pointed out that the PFP was possibly the one movement operating in South Africa today that could unite all South Africans as its constitutional plans were by far the best ever devised for a non-racial South Africa.

"The Nationalists, having hitched their star to apartheid, now have no substitute and do not know where they are going, except perhaps to lead us all over the edge of disaster.

"It is their ineptitude which has placed South Africa in the dangerous situation it is in today," he said.

Mr Pieter Schoeman, presidents councillor and PFP candidate in the forthcoming Northrand by-election, told a meeting at Randburg that the "economic and financial crisis which we find ourselves in, cannot be divorced from the political environment in which we do business."

The present crisis with regard to sanctions and looming withdrawals by large companies such as GM and Shell, must be placed squarely at the doorstep of the NP [National Party] for their political mismanagement of the country.

"The Nationalist government is destroying the country, they are isolating us internationallity, and they are sending us to a Beirut destination," he said.

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CSO: 3400/245

SOUTH AFRICA

NRP LEADER SUTTON DISCUSSES PARTY'S FUTURE

MB081605 Johannesburg SAPA in English 1519 GMT 8 Oct 86

[Text] Bloemfontein, 8 Oct, SAPA--The New Republic Party [NRP] was "a policy looking for a party," its leader, Mr Bill Sutton told the party's Free State Congress in Bloemfontein today. He was speaking to a motion which entailed that the new constitutional dispensation negotiated at the Natal Indaba would form the basis for amendments to the NRP's policy. "We are still a policy looking for a party. Success in the Indaba might well provide us with that vehicle," he said.

Inkatha, with whom the negotiations were initiated, was in the forefront of the struggle with the African National Congress and the South African Communist Party, he said. "We are a secondary target for the ANC and its internal supporters, like the UDF...and whatever we can do to assist Inkatha in its struggle is vital to us all."

For that reason the NRP would not allow its present policy to stand in the way of negotiated change. "I am firmly of the opinion that both parties will stand or fall by the outcome of the discussions," Mr Sutton said. If the Indaba proved to be a mere academic exercise it would benefit nobody, but an accord reached by negotiation would require change from all the participants, including the government which "sat like a sphinx" during the discussions.

Regarding press speculation that the NRP should disband and throw its weight into another camp, he said the number of votes attained in the Pinelands (3600) and Claremont (800) by-elections in September were evidence that the party still had loyal voters. Disbanding when the Indaba was about to bring about fruitful proposals as an alternative to nationalist voters would be "stupid" and "a dis-service to South Africans of all groups," he said. The NRP was an opposition party. It offered an alternative in filling the gap between the old republic, with its Westminster parliament, and the new republic with its "groups-parliament."

It held that confederation should take place between the homeland governments and the South African Government. It also held that federation should exist between the whites, coloureds and Indians who were already in Parliament, and that a "fourth house" should be formed for non-homeland blacks. Mr Sutton said

this "remained the most sensible and almost the only policy that could bring a measure of peace and sense in the current circumstances in South Africa."

The Motion, unanimously adopted by the congress, confirms the parties "federal/-confederal policy" in which all communities in South Africa would "work together without one dominating the other."

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CSO: 3400/164

SOUTH AFRICA

NRP'S SUTTON ADDRESSES NATAL CONGRESS

Cites 'Myth of Majority'

MB180911 Johannesburg SAPA in English 0306 GMT 18 Oct 86

[Text] Pietermaritzburg Oct 18 SAPA--Failure to achieve understanding at the current Natal-KwaZulu Indaba would diminish hopes of achieving a negotiated settlement for Natal's future, the leader of the New Republic Party [NRP], Mr Bill Sutton, said today. He said in his keynote address at the NRP's Natal Provincial Congress that a failure could also mean a further polarisation of political forces.

"The beneficiaries of this outcome would be the Conservative Party who have consistently refused to negotiate on the future of whites," he said in remarks prepared for delivery. Mr Sutton said in that situation there would be no assured political future for supporters of the NRP and their approach to group politics.

"What we are talking about is the myth of the majority. The Third World majority cannot run a first world political-economy system and a balance is needed. There is no basic merit in the majority. In fact the recent experience of the world has brought about a profound distrust of the majority and its capability to cope effectively with political and economic problems.

"I go so far as to say that without a proportion of haves and have-nots of 65 per cent to 35 per cent, the majority is not able to withstand the demands for the less privileged for the use of the mechanisms of the state to redistribute wealth beyond the economic capacity of the state."

Mr Sutton said a proposal for a majority system would result in the Natal-Kwazulu Indaba becoming merely another academic exercise. The government would not accept it and the NRP would have "very severe reservations" about it. "I believe whites, Indians and coloured in Natal would have very severe reservations about such a proposal."

He said guarantee of minority rights in one form or another strengthened cohesion of political groupings in Natal and provided a more sure base for solid achievement.

"If there is one thing that I think should emerge from the Indaba it is a coalition arrangement between Inkatha, the government, official opposition, the NRP, the Labour Party, National People's Party, Solidarity and any other political groupings up to the fringes of the United Democratic Front," he said.

Outlines Party's Reform Policy

MB180918 Johannesburg SAPA in English 0404 GMT 18 Oct 86

[Text] Pietermaritzburg Oct 18 SAPA--Only "real reform" and involvement of the discontented in the "real processes" of government would allay unrest in South Africa, Mr Bill Sutton, the leader of the New Republic Party [NRP], told his party's Natal Provincial Congress today. Mere talk of reform created more unrest than oppression, he said.

"Reform does not consist of removing the stupid and discriminatory legislation that you have yourself put on the statute book. It involves including in the political process those who are part of the power structure in the country.... Anyone who believes that blacks are not part of the power structure must get his head examined," he said.

The NRP, through its involvement from the inception in the Natal-KwaZulu "Indaba," had been in the vanguard of reform. However, what the Indaba would produce was anybody's guess, he said.

Mr Sutton said his party's policy was based on the recognition of the group structure of the country and provision of guarantees for minority groups--The guarantees would provide a feeling of security without which the white group in particular would be unable to participate to its maximum capacity in the future development of South Africa.

Mr Sutton said his party insisted that there should be a fourth chamber in Parliament, not to perpetuate apartheid, but to implement the party slogan, "saamheid" (togetherness).

There should be the closest possible consultation in the standing committees of Parliament on matters like continuing constitutional reform. "Reform can only come through Parliament, and it is our conviction that all groups should be represented either in Parliament or in an inter-government body such as the Brussels Council of Ministers. This will allow the wisdom and experience of the homeland leaders to be brought to bear in the solution of our problems without affecting the practical value of their continuing participation in the actual function of government on a day-to-day basis," he said.

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CSO: 3400/245

SOUTH AFRICA

COMMENTARY VIEWS EMERGING NATIONAL MODERATION

MB080746 Johannesburg International Service in English 0630 GMT 8 Oct 86

[Station Commentary: "The Coming to the Fore in South Africa of Moderates"]

[Text] Cutting through the gloom which has pervaded the political climate in South Africa for so long are two developments this week which speak of hope for the future. This first is the marked downward trend in unrest and violence in the country during the past month. The second is the establishment by moderate black leaders of a new nonracial political party.

Figures released by the Bureau for Information show that deaths and other unrest-related incidents last month were the lowest since January last year, and 60 per cent down on the figure for June this year. The number of deaths due to unrest last month was 28 compared with 157 in May and 161 in June. The number of injured and wounded last month was 99 compared with 560 in March.

There is only one way in which radical elements which constitute a very small minority can be stopped in their futile revolutionary aims, and that is to be thwarted and resisted by the vast majority of people who believe in moderation and support for revolutionary reform. Evidence that this is now happening is reflected in the establishment of the United Christian Conciliation Party. This party has set itself the goal of promoting Christian values, multiparty democracy, free enterprise without exploitation, equal opportunity, human rights, and social responsibility. The presidency is shared at the moment between two leaders bishop Dr Isaac Mokoena, head of the 5-million strong Independent Reform Churches Association; and Eastern Cape Township Mayor Mr Tamsanqa Linda. Membership is open to all irrespective of race, color, or creed provided they renounce violence and abide by Christian values.

There can be no doubt that the future of South Africa does not lie in the hands of outsiders of the radical minority, but in the hands of the overwhelming majority of South African moderates black, white, colored, and Asian. Their time has now come and it is their duty to grasp the opportunity with all the determination and single-mindedness of purpose at their disposal.

A new South Africa is dawning. It will not blossom in blood and bitterness.

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CSO: 3400/164

SOUTH AFRICA

BRIEFS

OBJECTION TO SADF IN DETAINEE PROGRAMS--National servicemen are allegedly being used in programs to change the antigovernment attitudes of detainees. This has been revealed by the Progressive Federal Party's [PFP] unrest monitoring and action committee. Committee chairman Jan van Eck says the servicemen pose as what he called do-gooders in civilian clothing and provide educational and recreational course for political detainees. Mr Van Eck says the country cannot allow national servicemen to be dragged into a political war, for that is why the detainees are there in the first place. He says the Defense Force should be above politics. In reply, the prison service says national servicemen have often been used in the prison service, and a number of them have recently been used by the service in view of their specialised educational background to uplift and educate prisoners. The latest revelations follow the recent reports that the Department of Education and Training camps were being used by former detainees. [Text] [Umtata Capital Radio in English 1100 GMT 19 Oct 86 MB] /6662

CSO: 3400/245

SOUTH AFRICA

SHELL EXECUTIVE CONFIRMS ANTIAPARTHEID POSITION

Under Pressure to Leave Country

MB191150 Johannesburg SAPA in English 1138 GMT 19 Oct 86

[Excerpt] London Oct 19 SAPA--The giant Anglo-Dutch Oil Company, Shell, has warned its workers in South Africa that it is under pressure to quit the country. Mr John Wilson, Shell's executive chairman in South Africa, told his senior executives the company must adopt an open anti-apartheid stand to persuade the government to move faster with its reform programmes. "The situation is not comfortable. Shell's position is not comfortable. The threat of disinvestment is real," he said. Mr Wilson's remarks are now being circulated in company magazines, according to a report published here.

Shell, and other oil companies operating in South Africa, have been under mounting pressure from anti-apartheid groups and the international disinvestment campaign. "We would have difficulty in pretending that these factors have not contributed to our stance," Mr Wilson said. Mr Wilson's warning has been interpreted in reports here as a direct warning that Shell, the biggest foreign oil company operating in South Africa, could be forced to pull out unless there is swift progress towards dismantling apartheid completely. He was also apparently aiming at defusing opposition to Shell's activities in South Africa by explaining the company's commitment to equal treatment for all its 2,500 workers.

It was important, he said, that the whole staff realised the problems the company faced. "We cannot excuse our omissions of the past but we can try to put them into perspective," he said. "The fact that Shell and other companies failed to involve themselves in the broader political issues of South Africa was not owing to indifference, or lack of feeling on the part of business leaders. It was rather the notion that the political arena was something divorced from the business world." He said business leaders had been oblivious of the extent to which cooperation between the state and business in fact repressed black aspirations. "Business saw its role as maintaining long-term growth and profitability and looked to the state to be supportive of this goal. It is only in recent years that business has become acutely aware that the policies of government could, in fact, defeat that goal."

He recalled conferences in 1979 and 1980 between business leaders and the government, where the private sector thought it had "broken through the communications barrier" and that reforms would result. "What we rather naive businessmen failed to realise was that we were, in fact, being set up, that those conferences were nothing more than a forum for the propagation of governments policies."

He said Shell had now nailed its political colours to the mast--the company condemned apartheid and would do "everything within its power to eradicate this unjust system." Businessmen have to become far more active in accelerating black advancement based on merit and not on tokenism. "Shell has started down the road towards a new South Africa and there is no turning back...the argument that blacks are not competent to govern is irrelevant when these very people have been denied the opportunity and educational foundations which will render them competent to take their rightful place as equal citizens in the society of South Africa."

In an apparent warning to employees who might disagree with the company's policy, he said its principles of non-racialism and non-discrimination were in some cases being thwarted. "This cannot continue. It is imperative that Shell show to the world a unity of purpose. It cannot afford employees who will sell it down the river," he said.

Denies Disinvestment Reports

MB200659 Johannesburg SAPA in English 2114 GMT 19 Oct 86

[Text] Cape Town Oct 19 SAPA--Shell was not about to disinvest, nor was it contemplating disinvesting from South Africa, the chairman and chief executive officer of Shell SA [South Africa] Ltd, Mr John Wilson, said tonight. Mr Wilson, commenting on reports over the weekend regarding threats of Shell's disinvestment from South Africa, said in a statement: "At the outset, let me make an unequivocal statement: Shell is not about to disinvest, neither is it contemplating disinvesting from South Africa. The Royal Dutch/Shell Group, of which Shell SA is a wholly-owned subsidiary, has as recently as 23 September 1986 made its position regarding its continued existence in SA absolutely clear," he said. "The chairman of the committee of managing directors of the group, Mr Lo van Wachem, on that date issued a letter to all senior executives of Shell operating companies throughout the world.

"In this letter, he examines the moral arguments in favour of disinvestment at some length, and then proceeds to put the Shell view: I have to ask myself what contribution to the relief of these (South Africa's) problems Shell would make by withdrawing. My honest opinion is none whatsoever. Withdrawal which has no positive and probably some negative effects on the community would not be a demonstration of moral rectitude, but of moral weakness. It would be washing ones hands of any further social responsibility, let alone any continuing responsibility for Shell employees in South Africa.

"Mr Van Wachem does, however, stress the need for urgent change within South Africa. He says: "I therefore support the call made by John Wilson and other business leaders in South Africa for the SA Government to release all political prisoners, to end the ban on political organisations, to stop detention without trial of community and union leaders, and others, and to begin the process of negotiation about the future with representatives of all South Africans."

Mr Wilson continued: "Since this letter was issued, nothing has changed to alter the view of the Shell Group. Shell has been in South Africa for over 70 years, and looks forward to a long continued existence in this country.

"The speech made by me to senior managers of Shell in SA, which was quoted extensively in the DAILY TELEGRAPH, and by a number of other newspapers, was delivered on August 4, 1986 at an internal conference. The purpose of these meetings was to inform Shell employees of the international pressures being faced by the group, and of the possible ramification thereof. It is regrettable that certain portions of that speech and its spirit and intent have been somewhat misconstrued. At no stage have I nor the Shell Group threatened the SA Government with disinvestment. There was no suggestion in my speech or in any other statements made on behalf of Shell of change, or else.

"Clearly, however, if the group's financial performance is significantly impacted, then in the words of Mr Van Wachem, the group would be faced with a very unhappy choice.

"I made it clear to staff at that conference that the survival of Shell in South Africa depended to a large degree on the actions of the company in the SA environment. I also made it clear that the company unequivocally condemned apartheid, and that it was committed to doing all it could to bring an end to this system," Mr Wilson said. "Far from being a warning to government, my speech was a salutary reminder to the employees of Shell SA that the continued existence of the company in this country depended on their adherence to the company's stated principles and values, those of non-discrimination and non-racialism in all our operations.

"It is my company's belief that the maintenance of a Shell presence in SA can contribute substantially to providing change and to creating a viable and prosperous economy in a post-apartheid era. We believe that we have a very real role to play in developing the leaders and skilled manpower which this country desperately needs. We have no intention of abandoning ship when we intend to do what we can to improve the quality of life for the community which has supported us so loyally for over 70 years," Mr Wilson said.

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CSO: 3400/243

SOUTH AFRICA

HOUSE OF DELEGATES OFFICIAL SPEAKS ON ROLE OF BUSINESS SECTOR

MB220518 Johannesburg SAPA in English 2019 GMT 22 Oct 86

[Embargoed until 0800 GMT 22 October]

[Text] Johannesburg, Oct 22, SAPA--The business sector has a duty to play an active and positive role in influencing change in South Africa, Dr J.N. Reddy, minister of budgetary and auxillary services of the House of Delegates, said in Johannesburg today.

Addressing the annual congress of the Association of Chambers of Commerce, he said the future of the free enterprise system is dependent on the creation of a constitutional framework which is acceptable to all the people of the land.

It would also have to recognise "the need for the widest possible involvement and participation in the economic life of our country by the people of colour who have thus far, to a lesser or greater degree, been precluded by the existence of legal constraints and impediments," he said.

He said the government had already taken certain steps and other measures are in the pipeline, all of which are designed to remove constraints which have effectively blocked the economic progress and development of the non-white people, more especially the blacks.

"Only an expanding economy can contribute to a climate conducive to reform and to this end, what we need from our overseas trading partners, is an understanding of the complex problems of our country and a positive involvement, which will help South Africa to find the political accommodation which will set this country on the road to peace and prosperity for all."

Therefore instead of imposing sanctions, there should be joint efforts on the part "of all our major trading partners to extend to this country financial aid in the way of soft loans which could be earmarked to fund programmes, which will contribute to the forward mobility of the underdeveloped sectors of our population in the field of education, economic development, health and housing and thereby make a positive contribution to improving the quality of life of the less privileged in our society and help to satisfy their rising expectations."

Dr Reddy said successful businesses have never shied away from investing capital in new or expanded facilities that are expected to return profits in the future.

Nor have they balked at spending money on research and development, even on basic research where the payoff may lag a decade or more behind the investment.

"To retain public confidence in the years ahead, business must demonstrate that it has the resources, the vigour, the intelligence--and above all, the will--to meet its obligations in a free economy.

"To the extent that it can develop practical solutions to public problems, business can help our nation immeasurably in leading its ideal of a truly free society," Dr Reddy said.

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CSO: 3400/243

SOUTH AFRICA

BUSINESS LEADER URGES ECONOMIC PATRIOTISM

MB211648 Johannesburg SAPA in English 1429 GMT 21 Oct 86

[Text] Johannesburg Oct 21 SAPA--If boycotts of South Africa's exports were only 20 per cent successful the balance of payments would be weakened by R2,000 million, white unemployment would rise by 120,000 and black unemployment would increase by 430,000. The personal income of whites would decline by R520 million and that of blacks by 470 million.

In quantifying the impact of boycotts in this way in an address this evening (Oct 21) in the Cape, Mr Christie Kuun, president of the Afrikaanse Handelinstituut [Afrikaans Institute of Trade], and senior general manager of SAAMBOU National Building Society, said economic patriotism was the answer to economic sanctions against South Africa.

Mr Kuun, who was addressing the Afrikaanse Sakekamar [Afrikans Chamber of Commerce] in Worcester, said it would be irresponsible in not to be mindful of boycotts. But he believed that if everyone did his duty, South Africa would be able to stand its ground better than was imagined. All that was required was strong, imaginative economic patriotism.

Economic patriotism meant, among other things, that South Africans should give absolute and spontaneous preference to South African products to stimulate further investment in our own industries, he said. South Africans had to get away from the idea that South African manufactured goods were of lower quality. He referred to the great volume of knick-knacks like brooms, washing pegs and dusters which were still imported. These unnecessary imports cost the country millions of rand in foreign exchange every year. The women of South Africa, particularly, could do their bit for the country here.

Although economic sanctions would decidedly hurt South Africa, he believed that the South African economy had strengthened itself over the past two decades to such an extent that such onslaughts could be much better handled than was sometimes imagined. He did not believe that sanctions would have catastrophic consequences. It had, however, to be expected that there would be a period of economic disruption, adjustment and sacrifice.

Foreign exchange would become a scarce item, so South Africans would have to do without luxury imports. Mr Kuun pointed out that scarce foreign exchange would perforce have to be rationed to those sectors and industries which needed priority from the national economic point of view. Economic patriotism also meant that South Africans should demonstrate confidence in the economic future and believe in themselves. It implied also that the various population groups should trust each other. In addition, the public as well as private sectors would have to exercise discipline regarding saving, purposeful application of production factors and well judged utilisation of energy resources.

Although a boycott of the country's exports should not be underestimated, it was doubtful whether such boycotts could be successful. Mr Kuun warned, however, that economic patriotism did not imply unqualified reprisals as the first reaction. Such action was contrary to the principle of free trade and was also not the action expected of a civilised country. He said he believed that the national economy was in the process of building up steam after a long and deep recession, and that a positive growth rate could not be excluded for this year.

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SOUTH AFRICA

INSTITUTE PAPER WARNS OF EFFECTS OF SANCTIONS

MB171023 Johannesburg SAPA in English 0952 GMT 17 Oct 86

[Text] Johannesburg, Oct 17, SAPA--Successful sanctions against South Africa were likely to cause poverty and hardship for generations to come, the South African Institute of International Affairs said today. In a paper published by the institute, Dr Brian Dollery, a senior economics lecturer at Rhodes University, also said it was "pure wishful thinking" that the end of apartheid alone would solve the social and developmental problems of the country. Dr Dollery said the idea that investment could be cut off and then resumed without serious long-term implications "runs in the face of reality."

"Should political impediments be placed on the flow of funds from abroad, the economic environment is likely to deteriorate to the point where it cannot attract new investment even when the political constraints are removed at some future date. In sum, it is incumbent on those who advocate disinvestment to reflect that, should such a strategy ever be effectively implemented, it is likely to visit poverty and hardship on generations of people not yet even born," Dr Dollery said.

A number of South Africa's neighbours were in the same plight, he said. Rhodesia, for example, had been denied foreign funds under the Smith government. Since independence, virtually no private foreign investment had been made in Zimbabwe.

Dr Dollery said a number of serious misconceptions existed about the political economy of South Africa. It was believed in some quarters that South Africa had a modern, developed economy capable of providing a Western standard of living for all its citizens and that apartheid kept this from becoming a reality. However, South Africa, with a per capita income of R3,316, was a middle-income economy that remained heavily reliant on the export of primary commodities in very competitive world economies.

"It is pure wishful thinking to assume that the demise of apartheid will, in itself, provide solutions to the various problems of development. Moreover, fanciful notions of a restructured economy and the implementation of a

socialist state as necessary and sufficient conditions for the resolution of South Africa's social problems belong in the realm of fantasy." Global evidence was that socialism intensified the problems of development.

"The elimination of apartheid is at best a necessary condition for the alleviation of social problems insofar as it allows for increased wealth creating by removing impediments to the operation of the market system," Dr Dollery said.

A second misconception concerned the nature of the political crisis in South Africa. Moderate people who favoured disinvestment as a means toward peaceful change regarded the present upheaval in the country as a legitimate civil rights struggle. Such parallels existed, and there was an undeniable need for the restoration of political rights normally associated with the liberal capitalist societies of the West. "However, this conception is seldom tempered by an acknowledgement of the radical or Marxist basis of some important political groups who have little interest in a peaceful, non-violent accommodation. It is now undoubtedly true that there are revolutionary groups who strive for a classless South Africa where individual liberties will be severely circumscribed."

Dr Dollery also said disinvestment was likely to exact a "grievous toll" on the economies of South Africa's neighbours, even without deliberate countermeasures by Pretoria. These might include labour repatriation, transport bottlenecks, and withholding of essential supplies. "Obviously, proponents of disinvestment cannot focus exclusively on its potential impact on South Africa alone without a careful scrutiny of the possible countermeasures that could be implemented," he said.

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SOUTH AFRICA

BRIEFS

BUSINESSMEN ATTRACTED TO MAURITIUS—Mauritius is pulling out all the stops in order to attract those investors who want to quit South Africa. A campaign to this end is being led by deputy prime minister Sir Gaetan Duval and the minister for industry, Diwakur Bundhun. Some 60 businessmen from South Africa, representing 47 different firms, were in Mauritius from 21 to 28 September and were given full opportunity to find out on the spot about the possibilities of investment. The mission was organised by the Mauritius Trade Office in Johannesburg and led by Jean-Michel de Senneville, its director. [Excerpt] [Paris THE INDIAN OCEAN NEWSLETTER in English 27 Sep 86 p 3] /9274

GM TO STAY 5 YEARS—Port Elizabeth Oct 20 SAPA—Official information on the major structural changes to be made by General Motors in South Africa will be released within the next few days, local news reports said today. This will be followed by a formal announcement early next month containing fuller details, the reports said. A GM source confirmed weekend reports that GM production would remain in Port Elizabeth and that its presence in the city would be guaranteed for at least five years, the reports said. According to the source, weekend reports that the company would be taken over by individuals and not another company were correct. The suggestion that a local shareholder had been found was "firmly squashed," the reports added. [Text] [Johannesburg SAPA in English 1337 GMT 20 Oct 86 MB] /6662

8,000 CAPE TOWN FAMILIES HUNGRY—Cape Town, Oct 21, SAPA—Cape Town's medical officer of health, Dr Reg Coogan, has estimated that 8,000 families in greater Cape Town are malnourished, SABC radio news reports. A large-scale relief effort is under way in the city to ease the plight of the people hard hit by unemployment and high inflation. Dr Coogan said this morning that community nurses were constantly monitoring the nutritional needs of people living in the poorer areas and were well placed to assess the degree of need. [Text] [Johannesburg SAPA in English 1025 GMT 21 Oct 86 MB] /6662

CAPE REFUGEES FACE MALNUTRITION—Cape Town Oct 20 SAPA—Reports of malnutrition in many parts of the Cape flats increased this year, SABC radio news reported. An organisation spokesman said St John Ambulance was feeding 2,000 to 3,000 people a week. Mrs Anne Bothat said St John's was spending almost R14,000 a week in aid. She warned careful planning was important as aid schemes would cause friction and resentment. She said donations decreased dramatically since the response to appeals after the violence in Crossroads in June. [Text] [Johannesburg SAPA in English 1201 GMT 20 Oct 86 MB] /6662

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SOUTH AFRICA

LUXURY CARS IN DEMAND BY EMIGRANTS

Johannesburg BUSINESS DAY in English 12 Sep 86 p 1

[Article by Dominique Gilbert]

[Text]

LUXURY cars are selling like hot cakes because they do so well on the so-called chicken run, say dealers.

People thinking of transferring themselves and their wealth out of SA appear to be snapping vehicles — such as Mercedes and BMWs — for resale across the waters.

Mercedes prices range between R39 950 and R116 040.

One man, said to have made in the US as much as four times in SA what he paid for his Mercedes — and in dollars — has returned to SA and is negotiating his second deal.

"The chicken-run people are paying cash," said one of the largest second-hand dealers.

He added that private buyers must own cars for at least 180 days before sending them overseas.

A new-car dealer confirmed many luxury car buyers made their purchases intending to sell them overseas.

Stuttafords export manager Avril Campbell yesterday confirmed an in-

creasing number of cars had left the country over the past few months. At least 80% of the full container loads leaving for Australia contained cars, mostly BMWs and Mercedes.

In August a total of 30 cars left SA for the US, Australia and UK.

Campbell said: "The authorities have clamped down by saying people have to own their cars for a year, but this is not always the case as they can slip through the banks. It is in their interest to own the car for a year anyway as they can then apply for duty free imports."

Generally, the Reserve Bank looks at each case on its merits and usually requires at least one year's possession before passing approval. Sources confirmed there was no "hard and fast" rule.

"There is a money-making racket going on," a salesman confirmed, saying some foreign countries were now insisting people must own cars for at least a year in the new country before reselling.

A chart in *Business Day* this week showed Mercedes sales, which include Hondas, achieved 15% market share.

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SOUTH AFRICA

CAR SALES SEEN AS GOOD ECONOMIC INDICATOR

Johannesburg BUSINESS DAY in English 24 Sep 86 p 1

[Article by David Furlonger]

[Text]

SHEEP farmers in the Karoo have never had it so good. Maize farmers in the Western Transvaal, on the other hand, are feeling the pinch.

Car sales, long accepted as a reliable economic indicator, show clearly where the wealth is in SA today.

In the Western Karoo last month, 36,3% of all new cars were sold by Mercedes-Benz or BMW. In the Eastern Karoo, the figure was 29,4%.

The region is enjoying the start of the 1986 wool-buying season. Demand is good, prices are high — local wool is tied to international prices — and even the recent strengthening of the rand against the wool basket of currencies has failed to appreciably weaken prices.

It's a different picture in the Western Transvaal, where drought-hit maize farmers are abandoning the traditional Mercedes in favour of down-market models.

The normally cash-rich region has in the past enjoyed a greater proportion of luxury cars than the country as a whole.

No longer. By 1985 it was lagging behind the rest of the country. The gap widened in the first six months of this year and by August had increased to 3%. Now, the region is becoming a buyer of Mazdas and Ford Lasers.

The picture is the same in the Eastern Cape, where recession and industrial decline have also hit sales of Mercedes and BMWs. Against a national combined percentage of 17,3% of all car sales in the first six months of this year, Port Elizabeth lagged by 2,4% and East London 4,1%.

In August, the difference was further pronounced — PE 6,1% behind and East London 6,4%.

Some regions, of course, have more than their share of status symbols. Johannesburg, the Natal coast and interior, Kimberley and the Far East Rand are all ahead of the game. In August, 23,5% of all cars sold in Pretoria came from Mercedes-Benz, while 25,6% of sales in the southern Free State were for BMWs.

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SOUTH AFRICA

METAL, ENGINEERING INDUSTRIES STILL IN DOLDRUMS

Johannesburg BUSINESS DAY in English 30 Oct 86 p 3

[Article by David Furlonger]

[Text]

REAL recovery remains a long way off for the metal and engineering industries.

Seifsa — the Steel and Engineering Industries Federation — said orders in the first half of this year were unsatisfactory, cut-price tendering was damaging profitability in the constructional and heavy engineering sectors, and rising costs of materials were damaging competitiveness, locally and on export markets.

In its review of the first half of 1986, Seifsa said: "In addition, the relatively large degree of spare capacity as exists in many sectors of the overall economy continues to inhibit investment in any new capital equipment.

"Together with the threat of sanctions on exports, these constitute more factors impeding meaningful recovery in the metal and engineering industries."

Compared to the corresponding 1985 period, these industries recorded a 2,4% production volume increase between January and June, against a 1,3% increase for the manufacturing industry as a whole.

Export-supported iron and steel producers achieved an average 9% gain. Steelmakers, in particular, found local demand weak and the report expressed concern at the effect sanctions would have on the in-

dustry by cutting off its growth area.

Ferro-alloy producers, who recorded positive volume growth in 1985, continued the trend this year. The industry anticipated that export volumes would be able to match the satisfactory 1,5-million tons of 1985.

The other sector to perform with credit was electrical machinery, which held production at last year's levels.

Other areas had a miserable six months. Transport equipment fell 17,9%, non-ferrous metals 7,4%, metal products, constructional and heavy engineering 5,5%, and non-electrical machinery 2%.

The report said constructional engineering, metal fabricating and shipbuilding all showed little sign of early recovery. Despite tentative signs of an upturn in the economy as a whole, domestic under-demand for steel and fabricated metal products, machinery and transport equipment would continue for the rest of the year. Any respite through exports was threatened by sanctions.

Trying to instil a note of optimism, the report said: "There are some prospects that a general broadening of economic recovery will stimulate demand for consumer durables and hasten the expected positive turnaround in the inventory cycle in the mining and manufacturing cycles."

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SOUTH AFRICA

BRIEFS

VW RECOVERY REPORTED--Fundamental changes in corporate culture have been the key factor in Volkswagen's resurgence in SA's car market, says MD Peter Searle. Addressing an Institute of Personnel Management convention in Johannesburg yesterday, he said despite appearing soundly based in the late 1970s, VW had been dragged down by a preoccupation with product, antiquated production facilities and inattention to staff and customers. Even a R250m investment programme to expand and modernise plant, and improvements in VW quality had failed to solve the problems fully. "Once the soul-searching was over, we embarked on the thousands of small actions that have served to place us back on the road to success. "Our market acceptance has changed dramatically. From a lowly sixth place in 1984, we're now in second place, and in many respects this is the most conclusive proof that we're on the right track," Searle said. [Text] [Johannesburg BUSINESS DAY in English 3 Oct 86 p 3] /9317

MINING INDUSTRY SPENDING INCREASES--The prosperous state of the mining industry is reflected in latest capital expenditure statistics for the June quarter, which show a 29,7% increase in spending against the same period in 1985. [Text] [Johannesburg BUSINESS DAY in English 30 Sep 86 p 3] /9317

CRB TO TAKE OVER XIDEX--The week before, it was Coca-Cola. This week it was America's Xidex Corporation--one of the world's largest distributors of computer tapes, discs and micro peripherals. Both are pulling out and leaving distribution of their products to a South African company. Xidex has impressive worldwide statistics. In duplicate microfilm it claims a world market share of 75%, making it No 1. It also leads world producers with 27% market share in flexible diskettes, 55% in disc packs and 70% in coated discs. It ranks about third in magnetic tapes. Robert Kern, managing director of Xidex Corporation Switzerland to which the SA company reports, says sole South African distribution rights have been awarded to CRB South Africa. CRB is Xidex's most successful SA distributor. Xidex's SA general manager, Sandy Peters, will become director of marketing at Xidex's Swiss office, with special responsibility for all of Europe and Africa. CRB has taken over the Xidex staff in SA--a move that will strengthen its sales force. CRB markets data communication equipment, such as plug compatible terminals and used computer equipment. It provides third-party maintenance direct to users. This will still continue. In terms of the Xidex deal it will also become wholesaler for Dysan, Xidex and Storage

Master. Xidex, the world's largest manufacturer of magnetic discs--20 million a month--took over Dysan and the Control Data Business Products Group, now called Storage Master. It provides them with three major product ranges which CRB will distribute. [Text] [Johannesburg SUNDAY TIMES (Business) in English 28 Sep 86 p 32] /9317

COMPUTER SYSTEM FOR REEF TRAINS--A computerised train control system, the first of its type in the Southern Hemisphere, was officially opened by South African Transport Services yesterday. The system, pioneered by British Rail, was installed at the Midway control centre near Johannesburg at a cost of R7,5 million. The Solid State Interlocking (SSI) system eliminates conventional control panels with levers, knobs and buttons and gives train control officers time to maintain the flow of traffic with maximum safety. It activates sets of points and signals by commands through a keyboard and a visual display unit in the control centre. Train movements and the position of points and signals in a specific section of track are monitored on a video screen. The centre of Midway controls signalling at Lenz and Midway stations. After a test period it will be extended to other railway stations in the region. [Johannesburg THE STAR in English 1 Oct 86 p 9] /9317

INLAND FUEL PROJECTS--Durban--For security reasons the Government could well decide against development of the Mossel Bay gasfields, says the new chief of Murray and Roberts, Mr David Brink. He says that M&R, which will play a key role in managing the project if it goes ahead, is not laying its hopes on a favourable decision. One of two inland synthetic fuels projects (proposed by Gencor and AECI) could well get the nod ahead of the Mossel Bay project when a decision is made, possibly early next year. Mr Brink said that if he was a "betting man" he would lay odds against the Mossel Bay project which involves a huge platform 100 km offshore and a long pipeline. M&R stands to reap major advantages if the project goes ahead. It was awarded the conceptual design contract and (through its EMSO partnership with overseas interests) it will head overall project management. It also stands to reap plenty of business in other areas where it is strong like construction, pipeline-laying, diving services, helicopters and tugs. A recent management revamp and restructuring of M&R has followed the unusual step in which shareholders were told (in May) that the group had suffered R35 million in setbacks since its March interim report. As part of the restructuring, Mr Brink was appointed MD of M&R Holdings and chief executive of M&R group. Other steps included cutting the number of major corporate divisions from six to four. Financial figures for the year to June 30 will be released on Monday. [Text] [Johannesburg THE STAR in English 12 Sep 86 p 10] /9317

AUTO PART MANUFACTURERS' NEW MARKETS--SA's automotive component manufacturers are driving to penetrate foreign markets and are now confident of new export contracts worth between R200m and R500m from a joint sales foray made into Europe earlier this year. In May, 17 component manufacturers took part in the Sitef Expo in Teneva, their exhibits attracting enough attention to generate a lot of new business, National Association of Automotive Component and Allied Manufacturers' (Naacam) director Denzyl Vermooten told Business Day yesterday. He said orders were still being processed, but early indica-

tions suggested that order books were in for a boost of at least R200m--and it could go as high as R500m. Vermooten said Naacam members--of which there are 135, accounting for 80% of the sector--were making considerable progress in breaking into new markets outside SA. The Sitef experience was just one example of the success being achieved and exports for the industry as a whole were climbing rapidly. In view of the ongoing pressures for sanctions against SA, manufacturers were understandably coy about identifying the markets they were selling into, he said. But the business was undeniably breathing new life into a sector which had suffered severe blows from the misfortunes still being felt by SA's vehicle manufacturers. In fact, their efforts were being joined by some motor manufacturers who had for some time been looking for new markets for their own components. As an example, Anglo American's Samcor had been using its engine plant in Port Elizabeth to produce automobile and non-automotive components specifically for export. He said overseas manufacturers were becoming increasingly internationalised and prepared to source their needs wherever they could get the best deals and prices. [Text] [Johannesburg BUSINESS DAY in English 30 Oct 86 p 1] /9317

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END