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# Sub-Saharan Africa Report

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27 JUNE 1986

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INTER-AFRICAN AFFAIRS

SOVIET AGRICULTURAL ASSISTANCE DETAILED

Lisbon AFRICA in Portuguese 30 Apr/13 May 86 p 19

[Article by Fernando Gil Evora: "USSR and Africa: Agricultural Cooperation"; first paragraph is AFRICA introduction]

[Text] If we examine the development strategy followed in the USSR, we shall see that the Soviets have accorded little importance to agriculture and have instead favored heavy industry. In the case of Soviet economic aid to the Third World, however, agriculture has had an almost priority role; but it is the structural aspect of agriculture that is taken into account, rather than its role in production.

It is a model that favors nationalization of the soil, and of a part of the agriculture that the USSR is attempting to apply in these countries--en route to an agrarian reform that is as complete as possible, based on the principle that the closer the country in question is to the USSR ideologically, the more complete that reform will be.

The Soviet motivations reflect the element of competition involved in the contest for influence with the other countries that provide assistance to the Third World, particularly China, which also centers its aid in the agricultural sector. On the other hand, these motivations are also the result of a growing demand on the part of the Third World countries, so that in order to preserve its position in that part of the world the USSR had to redirect its own Third World development policy and assign a more important role to agricultural and agroindustrial projects. It has been obvious to the Soviets that the liberation of the Third World countries from the economic domination of "Western imperialism" leads through aid that will enhance the food independence of these countries. On the economic level, however, the Soviet aid is often a barter currency--the regulations in the cooperation agreements are implemented according to the "clearing" method (economy of foreign exchange)--and therefore, in exchange for the equipment and services supplied by the Soviets, the beneficiaries must in most cases make compensatory payment in the form of products deriving from the projects that have been established or in the form of traditional products, often agricultural raw materials.

## Kinds of Aid: Credits and Technical Assistance

Generally speaking, Soviet aid is granted on the basis of reciprocal benefits for both partners. This has led the USSR to occupy an ambiguous position vis-a-vis the Third World, in that it has attempted to situate itself between the capitalist countries, on the one hand--offering, in emulation of those countries, its most advanced technology--and on the other hand the Third World countries with which it wishes to deal on a basis of equality. The Soviet aid comes in three forms: donations, which are of slight importance and are present only in cases of natural disasters; credits; and technical assistance.

The USSR was without doubt the first country to offer credit at low rates of interest to the Third World countries; but these credits have almost without exception been linked to the purchase of Soviet equipment. We can distinguish two types of credits: economic cooperation credits, which are government credits linked mainly to "turn-key" projects; and commercial credits, which promote the economic development of the beneficiary countries by making possible the purchase of goods, equipment, and machinery primarily.

Lines of credit opened for the financing of specific projects always bear an annual rate of interest of 2.5 percent for a term of 8 or 12 years, depending on the beneficiary country in question; the commercial credits are now linked to rates of interest of 3 percent or 4 percent, and are generally repayable in 5 years, but one will also find credit agreements that have conditions close to those of the Western credits and now represent 7 percent of all Soviet aid. The initial credits granted by the USSR did not include so-called "grace periods," and repayment began immediately after reception of the last of the equipment provided, or when the project was completed. At the present time these grace periods range up to 2 years, which is still a far cry from the average of 8 years granted by Western countries. The period for repayment is on the average from 8 to 12 years but can vary: it can be reduced to 5 years or increased to 20 years, depending on ideological proximities.

## Technical Assistance

An important part of the economic aid from the USSR to the Third World countries consists of the sending of technical experts in connection with the projects financed by the credits. This flow of technical experts has increased considerably over the years: in 1966 there were 16,500 Soviet "experts" in the Third World; by 1976 there were already 45,345; and by 1978 this number had risen to 72,665.

This type of aid has come to be identical with the aid supplied by Western private companies within the framework of the construction of installations, and includes the study and conception of these projects and supervision of their construction, the training of the local cadres and technicians, and in certain cases even the management of the completed installations.

This training of cadres is important in connection with the Soviet economic aid; other than the scholarships granted--the internships granted at universities and technical institutes in the USSR--all aid in the form of technical assistance must be paid for. Technical assistance currently represents, on the average, 15 percent of all Soviet aid; but in some countries that are poorer in qualified personnel, this figure can be as high as 25 or 30 percent. Primarily in the countries of Africa, we also find a form of technical assistance that is not directly linked to specific projects and that is basically designed to develop Soviet influence in countries which in many instances have no development project involving the USSR. As for the scholarships, they have made it possible to welcome an average of 24,000 Third World students per year; these are assigned primarily to Patrice Lumumba University for the Friendship of the Peoples, in Moscow.

#### Aid Total

It is unquestionably difficult to determine the total amount of Soviet aid in precise terms. The documents of the Fourth UNCTAD (Nairobi, 1976) estimated this aid at 1 percent of the total annual aid received by the countries of the Third World, while the OECD put the figure for the seven socialist countries of Europe at 5 percent. In any event, we may regard this aid as slight by comparison with the weight of these countries in the world economy. Even if we consider the category of commercial exchange (aid and trade incorporated into technical assistance), the USSR accounts for barely 5 percent of the annual trade of the Third World countries, which in turn contribute only 10 percent of the total volume of Soviet foreign trade. In 1978 Soviet aid represented only 0.04 percent of its GNP, compared to 0.4 percent for the OECD countries, but in both cases the figure is still far below the 1 percent of the GNP that the Third World countries requested at the 1976 Manila Conference. Soviet aid policy--and Soviet credit policy in particular--may at first glance appear to be very favorable to the beneficiary countries; but the fact is that compared to the efforts of the Western countries and even to those of China, they contain several negative features. For example, although on the one hand the rates of interest for the Soviet loans are always lower than those of the Western countries, the shorter "grace periods" and time limits for repayment have the effect of canceling out the positive effect of the low interest rates.

#### Geographical Distribution of Soviet Aid

It is worthy of note that those zones in which the USSR signs most of its cooperation agreements ultimately reflect a certain geopolitical strategy of that country, namely, because these countries comprehend principally the Mediterranean, the Persian Gulf, and the Indian Ocean--in other words, the petroleum route. We can divide these countries into three categories:

First, countries that have opted for a model of a transition to socialism (Algeria, Guinea-Conakry, Tanzania, Somalia, Syria, the People's Republic of the Congo).

Second, countries that follow the capitalist way but accord great importance to the public sector (India, Kenya, Zambia, Egypt, Peru, Panama, and Sri Lanka).

Lastly, countries that have opted for a capitalist form of development and that have close ties with the capitalist countries. In this case, the Soviet aid is justified only by the development of those progressive forces that might be able to promote the anti-imperialist struggle. These circumstances prevail in the countries of Latin America and of Central and Southern Africa and in Indonesia, the Philippines, Thailand, and Iran.

These three categories in large measure represent three levels of cooperation between the USSR and the Third World, and it is noteworthy that from 1955 to 1979 the principal partners of the USSR were precisely countries that are listed in the first two categories and that have received 50 percent of the total credits. As for agricultural aid properly speaking, it is distributed in equal proportions between the countries of Africa, on the one hand, and those of the other regions of the world; and more than half of those African countries that receive economic aid from the USSR also receive agricultural aid. In short, it can be said that the granting by the USSR of economic aid--and agricultural aid in particular--is based largely on political and geographical considerations.

#### Agricultural Projects

Agricultural cooperation, strictly speaking, consists of two types of projects: projects that are intrinsically agricultural in character, and projects that are upstream or downstream from agriculture, specifically: fertilizer plants, tractor factories, seed "stockage" complexes, canning industries, and so forth.

Agricultural projects, strictly speaking, comprise the state farms, hydro-agricultural projects, soil restoration, and so forth. These projects always involve the introduction of a particular system of agricultural management; and it is therefore understandable that it has been the countries of socialist tendency--and those with a large public sector--that have received such assistance. From 1955 to 1977 the USSR participated in the establishment of 23 agricultural enterprises and state farms in the Third World. In the midst of all this cooperation, however, there is another type of project, one that is closely linked (and limited) to countries that are very close ideologically to the USSR: research institutes that relate to agriculture, which in their initial phase receive the results of the investigations made by the Soviet research institutes themselves.

Then there are the projects that relate to irrigation; they represent the greater part of Soviet aid to agriculture in the Third World countries (50 to 70 percent of the total agricultural aid), for they make possible a more equitable distribution of the benefits among the partners.

On the one hand, these projects necessitate large-scale works that enable the Soviets to acquire a certain prestige (the Aswan Dam, for example), while on the other hand they help the countries of the Third World--and those of Africa in particular--to minimize the damage caused by the shortage of water for agriculture. For this reason, the projects for the development of irrigation help to satisfy one of the most critical needs of agriculture and at the same

time satisfy a certain "snobbism" on the part of the Soviets. Lastly, in the area of crop protection, the USSR has centered its attention primarily on the neighboring countries, where problems of disease in crops and animals can have repercussions in its own agriculture.

As for the projects that are upstream and downstream from agriculture, the USSR has made a special effort to develop the production of seeds as a way to improve crop yields. For the most part, this has turned out to be a practical means of developing agriculture; these countries are subsequently urged to promote their exports, for this aspect is ultimately of greater economic interest for the USSR.

We should, however, also include the Soviet participation in the construction of complexes for the storage of cereal grains, and the creation of numerous technical institutes destined for the training of local technical experts in the fields of agriculture and veterinary medicine.

#### What Results?

It is undeniably difficult to know precisely and objectively the results of the USSR's agricultural assistance projects in the countries of the Third World. The information that is published is always accompanied by a certain number of political considerations that frequently cannot be evaluated. But even though we can speak of economic aid, the total value of this aid is small both in absolute and in relative terms compared to all other aid granted by the USSR. Successes are interspersed with failures; the latter are often associated with a certain lack of interest on the part of the Soviets in making a study of the actual feasibility of the projects, and as a result some projects have been poorly adapted to existing local conditions.

One could mention, in this connection, some examples of failed projects in Somalia, Ghana, Kenya, and elsewhere, but at the same time we cannot overlook the great contribution made by the USSR in countries such as Syria, Algeria, and Sudan, among others. The question is basically one of quality rather than quantity, and it is in this connection that the last word must always belong to the country receiving the aid.

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CSO: 3442/227

ANGOLA

OIL MINISTER DISCUSSES BACKING OPEC TO STEADY MARKET

AU091910 Paris AFP in English 1841 GMT 9 Jun 86

/Excerpts/ Paris, 9 Jun (AFP)--Angola is backing current efforts by the Organization of Petroleum Exporting Countries (OPEC) to stabilize the world oil markets, Angolan Energy and Oil Minister Pedro van Dunen Loi said here Monday.

"We are prepared to accompany any action taken by OPEC," he told AFP, commenting on the scheduled meeting of OPEC oil ministers at Brioni, Yugoslavia, in 2 weeks' time.

The visiting minister said Angola would be prepared to cut its crude oil output from the current level of 300,000 barrels a day "in line with decisions" that might be made by OPEC.

Crude oil at present accounts for 95 percent of Angola's foreign exchange earnings, which have declined by one-third as a result of the sharp drop in oil prices since last December.

Stressing the need for cooperation among all oil producers, Mr Loi, a minister of state in charge of the productive sector, said: "We must do the job together."

Mr Loi could not confirm reports that a new meeting between OPEC and the non-OPEC countries is to be held in the wake of the Brino meeting, scheduled to open on 25 June. But he said Angola remained in close contact with Nigeria, the leading African OPEC producer.

Asked whether Angola was planning to join OPEC, he said this question had still to be examined by the Luanda government.

Echoing recent remarks by several OPEC ministers, Mr Loi said he was confident that demand for crude oil would soon recover. He said the Chernobyl nuclear plant accident might ultimately work in that direction.

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CSO: 3400/1914

ANGOLA

MEASURES TO IMPROVE SUPPLY OF GOODS DEBATED

Luanda JORNAL DE ANGOLA in Portuguese 18 Apr 86 p 3

[Article by Fernando Raimundo]

[Excerpts] The second general meeting of the Huila Provincial Food Supply Council was held in Huila to examine the province's distribution and supply of goods during the first quarter of 1986. The council adopted important measures aimed at improving the people's quality of life.

The meeting was held in the main hall of the Huila People's Assembly under the chairmanship of Jose Sumbo, the council's coordinator. A majority of council members were in attendance. The council assessed the level of compliance with the findings and conclusions reached in its previous meeting. It examined the level of food production, distribution and sales.

Some of the more important conclusion reached at this meeting (which was attended by Lopo Nascimento, Huila Province Commissar and member of the party's central committee) concerned the low level of sales in the countryside. The council recommended to all organizations involved in bringing food to market to make greater efforts in the future.

Once again, the council noted deviations from the established norms in the transportation and distribution of goods. It recommends that improvements be made in the organization of domestic trade associations and the strict application of the laws applicable to this field.

The meeting directed the provincial UNTA to reduce the Proletariat Fair to 30 days instead of the 60 that had been planned. The reason for this is the lack of goods in this province. It directed that more dried fish, salt and canned meats be sold to the rural population.

Lopo do Nascimento's address at the council's closing session urged those present to give priority to supplying dried fish, meat, bread, salt, beverages and finished goods to the people, especially rural people because only then can production and productivity increase on the farms, cooperatives, farmers' association, factories and production centers.

Lopo do Nascimento called for new ideas and many local initiatives to overcome the many problems of supplying goods to the people. He added that it is also necessary to improve services and to act with character and speed in all our activities.

9935/9435

CSO: 3442/220

ANGOLA

JOURNALISTS' DELEGATION VISITS MOSCOW

Luanda JORNAL DE ANGOLA in Portuguese 23 Apr 86 p 12

[Text] A delegation from the Angolan Journalists' Union (UJA) is in Moscow at the invitation of the Journalists' Union of the USSR. The delegation is made up of Jose Miguel and Joao Bernardo Miranda, respectively administrative secretary and [secretary] for contributing reporters' and volunteer correspondents' affairs.

While in Moscow, the delegation will attend a conference on "Mass Communications and the Problems of Human Rights".

During its stay, the delegation of Angolan journalists is also scheduled to meet with its Soviet counterpart in order to strengthen ties of friendship and cooperation between the two organizations.

It should be recalled that the UJA and the Journalists' Union of the USSR are united by a cooperative agreement signed in 1984.

Talk on Freedom of the Press

The UJA, through its Secretariat for Cultural and Professional Activities, will hold a talk on the theme "Freedom of the Press" as it prepares to celebrate the first of May.

The talk is to be held in the Anibal de Melo Press Center at 6:30 pm on Thursday. The speaker will be Pedro Martinez Pirez, professor of the intermediate journalism course at the Karl Marx Complex. Prof Martinez is a member of the faculty council of Havana University's School of Journalism.

Journalists and everyone who is interested is invited to attend the talk.

9935/9435  
CSO: 3442/220

ANGOLA

DETAILS OF ECONOMIC COOPERATION WITH YUGOSLAVIA GIVEN

Luanda JORNAL DE ANGOLA in Portuguese 24 Apr 86 p 12

[Text] In 1985, Yugoslav exports to the People's Republic of Angola reached \$29 million, said Ivan Senk, the director of the Yugoslav embassy's trade mission in Luanda, to ANGOP.

According to Ivan Senk, Yugoslav exports, the value of which he, nevertheless, did not reveal, consist mainly of medical equipment, agricultural machinery, vehicles, medicine, foodstuffs and office equipment. Whereas Angolan products imported by the Socialist Federal Republic of Yugoslavia consist of coffee, sisal and oil.

The head of the Yugoslav trade mission in Angola also considered Angola to be one of Yugoslavia's main trading partners in sub-Saharan Africa.

On the subject of cooperation in the oil industry, Ivan Senk said that the Yugoslav firms NAFTAGAZ and INA-NAFTAPLIN have been part of the exploration effort on offshore bloc 3 since 1982.

The first shipment of 550,000 barrels of oil from that bloc was made in December 1985 to Yugoslavia.

The two Yugoslav firms also participate in tests and exploration of the "Safueiro" field where oil was recently found, added Ivan Senk.

In agriculture, Senk said that talks are not underway between the two countries concerning possible Yugoslav participation in a water supply project and in providing technical assistance for the Kikuxi complex which is estimated will cost \$5 million.

The \$5 million will be taken from a \$50 million line of credit made available at the National Bank of Angola by the Yugoslav Foreign Investment Bank. It will finance a program to grow fruits and vegetables in a 400 hectare tract of land.

The head of the Yugoslav trade mission added to ANGOP that about 140 houses/containers were supplied to the Fisheries Training Center (CEFOPESCAS) of the Cacuo municipality this year.

Senk also said that the Angolan (TAAG) and Yugoslav (JAT) airlines maintain excellent relations and there is an agreement to train a group of Angolan pilots for a 2-year period.

Finally, Ivan Senk assured us that Yugoslavia would participate in the third Luanda International Fair (FILDA-86) to be held in November. It will be held in a 300 square meter pavilion and a 100 square meter open air area.

9935/9435

CSO: 3442/220

ANGOLA

BRIEFS

CABINDA FRONT DENOUNCES UNITA OPERATIONS--Brazzaville, 31 May (AFP)--The movement seeking independence for Angola's Cabinda Province Saturday denounced operations in the oil-rich northern enclave by units of the Angolan opposition National Union for the Total Independence of Angola (UNITA). A statement signed by the president of the Cabinda Liberation Front (FLEC), Nzita Endriques Tiago, and received by AGENCE FRANCE-PRESSE here said the UNITA presence in Cabinda "only reinforced the Angolan occupation" of the enclave, which is separated from the rest of Angola by a strip of Zairian territory. The text said that UNITA, a South African and U.S.-backed rebel movement led by Jonas Savimbi, had never come out in favor of independence for Cabinda, on which Angola relies for its oil supplies and foreign exchange earnings. UNITA has launched sabotage attacks against Cabindan oil installations, some of them operated by the U.S. firm, Gulf Oil, as /words indistinct/ strategy of weakening the economy in order to topple the left-wing government of President Jose Eduardo dos Santos. The independence movement said that the enclave's population would "fiercely resist" anyone who ignores the "specificity of CABINDA." The movement added that whatever its "logistical, material or other difficulties," it would never become an "ally of the South African racists." /Text/ /Paris  
AFP in English 1416 GMT 31 May 86 AB/ 12228

TRADE WITH PORTUGAL--The People's Republic of Angola exported 336,645 tons of various goods worth about 14 million escudos to Portugal last year, ANGOP learned in Lisbon. A source in the Portuguese Institute of External Trade said that among the goods exported by Angola, petroleum is worthy of special notice. Angola exported 331,318 tons of petroleum worth 11,860,503 escudos. Other important Angolan exports were coffee at 4,987 tons, skins at 120 tons, and textile fibres at 117 tons. On the other hand, over the same period Angola imported 86,284 tons of various merchandise worth 26,432,394 escudos. The trade balance is currently in favor of Portugal, but it may show a certain equilibrium by the end of this year as Angola has increased its petroleum exports to Portugal and there has been a reduction in Portuguese exports to Angola. /Text/ /Luanda Domestic Service in Portuguese 1200 GMT 10 Jun 86 MB/ 12228

CSO: 3400/1914

ETHIOPIA

BRIEFS

SOVIET GRANT FOR DAM CONSTRUCTION--The Soviet Union is to grant Ethiopia 70 million birr (about 33 million dollars) to construct a dam in the Gambella region of Illubabor province, where several thousand drought victims have been resettled. The dam will enable 9,000 hectares of land to be irrigated. The money from Moscow will partly be used to purchase building materials from the Soviet Union. [Text] [Paris THE INDIAN OCEAN NEWSLETTER in English 17 May 86 p 7] /9274

CSO: 3400/1880

GHANA

TSATSU TSIKATA ADDRESSES FOREIGN MINISTRY ON ROLE, ATTITUDES

Accra GHANAIAN TIMES in English 8 May 86 pp 1, 3

[Text]

A LECTURER in Law at the University of Ghana, Mr Tsatsu-Tsikata, yesterday observed that the colonial bureaucratic heritage of the Ministries of Foreign Affairs of Third World countries makes it difficult for them to promote their national interests.

Mr Tsikata was delivering a lecture in Accra on the topic, 'Foreign policy in the Third World countries—some observations, with special reference to Ghana'.

The lecture is the first in a series being organized for personnel of the Ministry of Foreign Affairs.

Citing Ghana as an example, Mr Tsikata said because of the effects of the colonial mentality, most diplomats fancied postings to London and New York more than to any other places.

This, he said, had resulted in most diplomats not working hard enough to promote fruitful relations.

Mr Tsikata said most often, many diplomats moved with so

much grandeur and exhibited so much extravagance at their post, which did not present a true picture of the state of affairs in their country.

He noted that the routine of the Civil Service had affected the behaviour and attitude to work of many of the "Foreign Affairs practitioners".

This routine behaviour prevented practitioners from reflecting on the foreign policy of the government, Mr Tsikata added.

Yet, Mr Tsikata stressed, foreign policy practitioners were among the important tools needed to achieve the political destiny of the country.

They should, therefore, play a serious policy role by formulating new ideas that would help re-organize their Ministry to respond more effectively to the foreign policy of the country.

Mr Kwamena Ahwoi, Co. ordinator, Investigations and Revenue Commissioners, chaired the function. — GNA.

/13046

CSO: 3400/1854

GHANA

## TEACHERS SUPPORT PLAN TO CUT REQUIRED SCHOOLING

Accra PEOPLE'S DAILY GRAPHIC in English 3 May 86 pp 1, 5

[Article by Kojo Sam]

[Text]

### **THE Ghana National Association of Teachers (GNAT) has declared its support for the government's intention to cut down the number of years pupils spend in both first and second cycle schools.**

The move, according to GNAT, is in the right direction because Ghana is the only English-speaking West African country where children spend more years in first and second cycle education. For instance, whereas in Nigeria, pupils spend 13 years in these schools, children in Ghana spend 17 years.

Mr Paul Osei-Mensah, General Secretary of GNAT who expressed the support in an interview in Accra, said the planned cut in the period of education has come to fulfil one of the objectives of the association.

The "Graphic" called on him for the GNAT's view on the government's plan to change the structure of the upper basic (middle) school level with a reduction in the number of years from four to three while secondary school education is to be reduced from seven to four years as announced by Dr Kwesi Botchwey, Secretary for Finance and Economic Planning, in this year's budget.

Mr Osei-Mensah said from studies conducted by GNAT, it has been observed that people spend more years in education than

working for the state if the voluntary retiring age is taken into consideration.

For this reason, GNAT, he disclosed, has proposed a six-year primary education followed by a three-year junior secondary education. After this, those who will gain admission to secondary schools would have to spend five years after which they could enter university.

Instead of the present sixth form, there should be diversified courses so that those who cannot enter university would have the opportunity of pursuing other vocation-oriented courses to enable them to fit into the economy.

However, if the government insists on maintaining the sixth form schools, then certain schools would have to be selected for that purpose based on their

geographical and social locations instead of the present situation in which every school is clamouring for sixth form courses.

"This constitutes waste of resources because it has been very difficult to satisfy all the sixth form schools with both qualified tutors and logistic support", Mr Osei-Mensah maintained.

The GNAT Secretary-General also called for the abolition of unnecessary restrictions for entry into university saying even though a lot of students have been denied university education locally, some of these students often gain admission to first class overseas universities and go on to perform brilliant academic wonders.

On the rather poor standard of education in both first and second cycle schools, Mr Osei-Mensah said the issue lies on the calibre and commitment of the present day teacher.

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CSO: 3400/1855

GHANA

TRADE SECRETARY ON UNCTAD'S GLOBAL SYSTEM OF TRADE PREFERENCE

Accra PEOPLE'S DAILY GRAPHIC in English 6 May 86 pp 1, 4

[Article by Mavis Quaicoe]

[Text]

MR Kofi Djinn, Secretary for Trade has called on developing countries to give their firm support to the UNCTAD's Global System of Trade Preferences (GSTP) in a collective effort to arrest the downward trend of their respective economies and to help improve their export possibilities.

This is because the GSTP is essentially a system of reciprocal trade preferences with its major pre-occupation being market accessibility aimed at improving the terms of trade and accelerating economic and industrial development within developing countries, he said.

The call was contained in a speech read for the Trade Secretary by Mr S. V. Agyare-Forfie, acting Chief Director (Adminis-

tration) of the Ministry of Trade at the opening ceremony of the three-day seminar on the GSTP in Accra yesterday.

The seminar which is jointly organised by UNCTAD and the Ministry of Trade is being attended by participants from the Ghana Export Company (GEC), Ghana Investment Centre, (GIC) National Investment Bank (NIB), Customs and Excise Department, (CED), Ghana Industrial Holding Corporation (GIHOC) and the Ministries of Trade, Foreign Affairs, Finance and Economic Planning and Agriculture.

Mr Djinn also observed that protectionist measures continue to grow on the international scene which have led in the decline in prices of exportable commodities of Third World countries.

These problems, he

said, have given rise to periodical adjustments in exchange rates as a result of high interest rates and debt servicing payments.

To the government of Ghana therefore, the GSTP should help open new avenues for the expansion of mutual trade among developing countries to enable them overcome the obstacles that have plagued them in their efforts to achieve export buoyancy, he added.

He noted that direct co-operation between developing countries as a result of the GSTP can have a determinant influence on the success of their various economic development programmes since the countries involved in the GSTP are the direct operators who produce and export and also make use of the goods and services which are the objectives of the

scheme.

He therefore hoped that the seminar would only be confined to the identification of problems but would also proceed further to propose practical solutions to them and possibly evolve additional strategies for effective mobilisation of potential exporters of non-traditional exportable commodities.

Dr Jagdish Saisal, an adviser of Economic Co-operation among Developing Countries (ECDC) of the UNCTAD secretariat explained that the seminar would discuss technical issues as well as matters of policy to be addressed by developing countries.

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CSO: 3400/1854

GHANA

ASHANTI GOLDFIELDS CORPORATION IN FINANCIAL CRISIS

Accra PEOPLE'S DAILY GRAPHIC in English 2 May 86 p 5

[Article by Boniface Ablekpe]

[Text]

**THE Ashanti Goldfields Corporation (AGC) is in a precarious financial position as the reserves built up over the years are being eaten up by the recent salary and wages increases.**

It therefore requires the concerted efforts of the management, senior staff and junior workers alike to increase output in order to build up a strong financial reserve base to keep the mine running.

These views were expressed by Mr Mike Bottomley, managing director of the AGC, at a two-day seminar organised for the management, Senior Staff Association, the CDR and the Union in Obuasi.

He was speaking on the topic "The past, present and future of the AGC vis a vis the current expansion programme going on at the mine."

The managing director said over the years, practical expansion programmes had been drawn and new innovations introduced to prolong the life span of the mine and increase output to make it the most economical venture in the country.

He lamented however that lack of inputs had always held back the attainment of these goals.

Mr Bottomley said in 1982 for example when the corporation operated at a loss, all efforts to raise foreign loans to push forward its expansion programmes failed because there was nothing to convince the donors that the fortunes of the corporation might change for the better.

This, coupled with the drought in 1983 and the rising cost of prices in the country contributed to make the corporation worse off.

The managing director stressed however that the sound economic policies introduced by the PNDC which were aimed at encouraging and promoting the export sector have helped in raising some loans to push through its expansion programmes and for rehabilitation work.

He reminded the workers that the corporation also has to raise some funds from its own sources equal to the loan obtained for the expansion programme to be completed and called for co-operation among all categories of workers on the mine to team up to sustain the mine.

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CSO: 3400/1855

GHANA

JAPAN TO ASSIST IN ROAD MAINTENANCE

Accra PEOPLE'S DAILY GRAPHIC in English 10 May 86 p 1

[Article by Adwoa Van-Ess]

[Text]

**JAPAN is to provide a loan for the rehabilitation project of the Yamoransa-Kumasi road and also participate in the Special Joint Financing of the World Bank Road Maintenance Project.**

This is aimed at extending the technical co-operation agreement between Japan and Ghana as the former's contribution towards the Economic Recovery Programme through the improvement of roads and highways.

This was announced by Mr Kuzuaki Arichi Japanese Ambassador in Ghana, when he presented 243 pieces of survey and design equipment to the Ghana Highway Authority (GHA) in Accra yesterday.

The consignment, valued at 1.5 million yen (Q810,000) is the third presented to the Authority by the Japanese Government since 1982.

Mr Arichi hoped it will help in the effective rehabilitation and improvement of roads and highways in the country.

Major (rtd) Abraham Sam, Under Secretary for Roads and Highways, who received the items, said the presentation is a manifestation of the goodwill existing between the two countries.

He said the equipment will go a long way to help make a significant impact on road maintenance work in the country.

Major Sam commended Mr Kenichi Take, a Japanese expert attached to the GHA through whose effort the equipment were donated and hoped it will help the personnel of the Survey and Design Division of the GHA to improve on efficiency.

He therefore assured the donors that they will be put to very good use.

/13046  
CSO: 3400/1855

GHANA

BRIEFS

ARMY BID FOR CIVILIAN CONSTRUCTION--Alhaji Mahama Iddrisu, PNDC member responsible for the Ministry of Defence, has said efforts are being made to utilise the skills and expertise of the Armed Forces for the benefit of the entire nation. The Field Engineers Regiment, he said, will therefore contest alongside civilian contractors for government constructional projects to earn some money for the military while at the same time, rendering useful service to the nation. The PNDC member was speaking at a durbar at Burma Camp in Accra yesterday with officers and men within the Accra Garrison. Alhaji Iddrisu again reminded members of the Ghana Armed Forces of their sensitive position as vanguards of the revolution and the positive role expected of them in the government's Economic Recovery Programme (ERP). [Text] [Accra PEOPLE'S DAILY GRAPHIC in English 3 May 86 pp 1, 5] /13046

CSO: 3400/1854

GUINEA-BISSAU

VIEIRA ELIMINATES RIVALS, TIGHTENS CONTROL

Lisbon EXPRESSO in Portuguese 17 May 86 p 38 R

[Article by J. Henriques Coimbra: "Guinea-Bissau: An Opposition To Destroy"; first paragraph is EXPRESSO introduction]

[Text] The series of deaths, in unusual circumstances, of political prisoners in Guinea-Bissau is causing the world to have its doubts about the Guinean method of "practicing freedom." Where is Nino Vieira headed?

Several days before President Nino Vieira left for his country to celebrate the fifth anniversary of the 14 November 1980 coup that deposed Luis Cabral and brought him to power in Bissau, a great Guinean fighter fell, pierced by bullets from a military weapon, not a mere prison weapon. His name was Joao da Silva, and he had been--after 25 years of loyalty to the PAIGC--one of the most representative figures of the governmental apparatus, the top man in the armed forces hierarchy, and at the end the minister of sports.

According to the official version, Joao da Silva was killed by the prison guards when he attempted unsuccessfully to escape; he was going to make his escape over the roof, armed with an iron bar that he had torn loose from the structure of the building, but was forced to jump into a courtyard where there were guards, who then had to kill him in order to free themselves from the threat of the "weapon" brandished by the fugitive.

The news took Guineans by surprise, and there was comment; but the passionate speech of Joao Bernardo Vieira on 14 November of last year attempted to cover up the matter. "No one wanted to kill him," he said. "It was his own mind that killed him. After he was confronted with the confessions of his accomplices, he fled. They ordered him to halt; he didn't halt. The guard fired. That's the law, comrades!"

Nino Vieira was speaking of those Guineans who had been accused of involvement in an attempted coup to overthrow him--a coup whose ringleader was alleged to be Paulo Correia, another prominent figure in the governmental structure, who had been regarded as "number two" on the President's own team and as a man who had not been linked to any form of corruption.

At the great mass meeting, where he was also heard by the diplomatic representatives of the countries represented in Bissau, Joao Bernardo Vieira declared that the attitude of Paulo Correia and his henchmen was one of cowardice, because, he said, "there are institutions today through which everyone can voice his dissatisfaction and disagreement with the actions of the government." And despite the shots which only days before had taken the life of Joao da Silva, Vieira declared: "We do not have mass graves, we do not have arbitrary arrests, there is no repression, the institutions are functioning democratically, and there is freedom of speech--something that didn't exist before."

#### Personal Ambitions and Corruption?

But the deaths under unusual circumstances continued in the prisons of Guinea-Bissau--and the world began to pay attention to what the Guinean authorities call "practicing freedom." News is scarce, messages are transmitted timidly, but they do appear: at least three conspirators have died in circumstances that lead one to suspect that Nino Vieira would rather see his opponents liquidated than discuss with them a different way of governing the country.

Let us look at the list, which there is every reason to believe is not complete. It is feared that two additional names may have to be added:

Andre Gomes, another of the prisoners, reportedly died in his cell; the official version says he used electrical wire to hang himself. Lay Seck, for his part, succumbed to unspecified heart problems. Lastly, Agostinho Gomes fell victim to "a profound anemia, accompanied by avitaminosis," according to the medical report released by the authorities.

The Guinean president, meanwhile, seems calm and confident. He attributes the coup attempt to ties on the part of the conspirators with Luis Cabral--whom he himself deposed in 1980--or to personal ambitions on the part of Paulo Correia, attempting thereby to remove himself from a broader context of discontent which he interprets as a desperate desire for a return to corruption.

But it is President Nino Vieira himself who maintains excellent relations with various entities, especially in Portugal: relations which even from the most charitable point of view do not square with the image of irreproachability that he seeks to attribute to his administration.

His frequent trips to the North, where Maj Valentim Loureiro is his traditional host (and consul of Guinea-Bissau in Porto)--trips that include private visits to the wine cellars of Vinho do Porto and to the shipyards of a construction company--appear not to have met with the approval of many of those who accompany him. Moreover, it has even been disclosed that Nino Vieira reportedly received, as a gift from the aforementioned company, a residence located somewhere in the municipality of Vila Nova de Gaia.

Another curious detail relating to the behavior of President Joao Bernardo Vieira is the fact that he has three daughters studying at a secondary school in the North.

## And the Discontent Grows

The difficulties in Guinea are meanwhile increasing, and the discontent is growing. Following an alleged coup attempt led by Vitor Saude Maria, another movement took form and spread behind the scenes, reportedly on the initiative of Paulo Correia--former vice president of the Council of State--who is one of the "uncorrupted" officials of the regime and who, incidentally, appears to have gathered around him many Balante who feel they are responsible for the success of the struggle waged by the PAIGC.

Nino Vieira became aware of what was going on, apparently on the basis of intelligence communicated to him from various sources, including elements linked to the Soviet and Cuban diplomatic circles in Bissau. He reacted with such composure, however, that he was able--months after the initial rumors--to take by surprise a meeting of conspirators being held in the house of one of his most immediate associates at which a number of high-ranking military officers were present. The president--who personally took part in this action, accompanied by armed military personnel--left the following day on his previously scheduled trip to the United States, without having ordered any action to be taken against Paulo Correia. It was on his return from this trip that he ordered Correia's arrest, based on confessions obtained in the form of statements by the other coup plotters.

It is not known exactly how many persons have been imprisoned, but they are believed to number several tens. Nothing whatever is known concerning the accusations against them, however, because the authorities in charge of security are maintaining the greatest secrecy on the subject, and also because the investigations and inquiries have not yet been completed.

In addition to the Paulo Correia group, former prime minister Vitor Saude Maria has also been deprived of his freedom. Accused of attempting to destabilize the regime, he took refuge in the Portuguese embassy because he feared arrest. He later took up residence in Bissau and subsequently in Quinhamel before being sent--only very recently--to a small town in the southern part of the country.

Nino Vieira--who is currently in Europe on official business--has now become the last of the "historic figures" of the PAIGC in a position of authority. He has removed all the others--and some of them have already ceased, definitively and radically, to be a threat to challenge him for any office or function.

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CSO: 3442/227

GUINEA

CMRN ISSUES COMMUNIQUE ON NEW ECONOMIC MEASURES

AB291445 Conakry Domestic Service in French 2200 GMT 28 May 86

"Communique issued by the Military Committee for National Redress (CMRN) Following Its Joint Session With Members of the Government." Date and place not given--read by announcer

Excerpts The CMRN and the government met in Conakry on Tuesday, 20 May 1986, from 1000 to 1500, on Wednesday, 21 May, from 1000 to 1515, on Thursday, 22 May, from 0900 to 1300, on Friday, 23 May, from 0900 to 1245 and on Tuesday, 27 May, from 0900 to 1245 and on Tuesday, 27 May, from 1200 to 1505, under the chairmanship of His Excellency General Lansana Conte, CMRN chairman, president of the republic and head of state. The agenda contained topics related to the economic and financial policies of the Republic of Guinea. After hearing the deep and objective analysis made by the head of state and which bore on economic and political foundations of the actions of the CMRN and the government of the Second Republic, the meeting drew up some guidelines, taking into account the working document comprising the following eight points.

1. Unification of exchange rates, standardization of prices, and adjustment of salaries.
2. Rationalization of the Civil Service staff.
3. Public enterprises and privatization.
4. The state budget.
5. External sectors.
6. Money supply and credit.
7. Institutional reforms.
8. Implementation criteria.

After discussion at length and in a highly responsible spirit in order to meet the needs of the Guinean nation, the meeting expressed satisfaction with the conclusions reached because they resulted from a mature and deep examination and took the following measures:

1. Concerning Salaries. Beginning 1 May 1986, Index salaries of civil servants and workers of all sectors have been increased by 80 percent.
2. The creation--beginning from 1 June 1986--of a mechanism to encourage civil servants and other state employees to retire voluntarily. To this end, the meeting, after an extensive exchange of views, made the following decisions:

A. The retirement of some civil servants and employees of public enterprises who have put in 25 years service. During their retirement period, they will receive a full pension equal to 30 years of service and a voluntary retirement award equal to 5 years pay as the secretary of state for trade to review existing mechanisms in order to come out with more proposals aimed at preserving the interests of the citizens. The meeting also fixed the new prices for rice and gasoline in the following order, beginning 1 June 1986.

B. The price of a kilogram of rice has been increased from 80 Guinean francs to 100 Guinea francs in Conakry. The price has been increased from 120 Guinean francs to 130 Guinea francs in the interior of the country.

C. The price of gasoline is hereby increased from 115 Guinean francs per liter to 140 Guinean francs in Conakry. It is increased from 115 Guinean francs to 160 Guinean francs in the interior of the country.

D. Public transport fares. Consequent to the increase in the price of gasoline, transport fares in Conakry have been increased from 40 to 50 Guinean francs. A communique from the office of the secretary of state for transport will determine the modalities for the implementation of these new fares.

/12228

CSO: 3400/1881

LIBERIA

'DEMOCRACY ON TRIAL': APPLICATION OF CONSTITUTION QUESTIONED

Monrovia FOOTPRINTS in English Apr/May 86 pp 5-9, 45

[Text]

The democratic experiment in Liberia seems to be wobbling. The rebirth Liberians envisaged when they overwhelmingly adopted a new Constitution in a referendum in 1984 has so far proved elusive.

After three months of constitutional rule, the political expectations of the people are far from realized as the Justice Minister has emphatically told his countrymen not to rely entirely on the constitution.

By implication, Justice Minister Jenkins K.Z.B. Scott's contention is that although the constitution is the organic law of the land, decrees and ordinances of the previous military administration are still in force and it would therefore be foolhardy for anyone to ignore them.

This position taken by the government has evoked criticisms from politicians. The Unity Party led by Dr. Edward B. Kesselly has questioned whether Liberia is under a civilian or milivilian form of government.

At the height of the controversy came Chief Justice James

Nagbe who took the position that all decrees promulgated by the dissolved People's Redemption Council and the Interim National Assembly are still in force until they are challenged or come in conflict with the constitution. Before then, the Speaker of the House of Representatives, Samuel D. Hill, a former Adviser to the Head of State on national and international affairs had toed the same line.

Justice Nagbe further argued that the decrees are still laws of the Republic until they are repealed by the National Legislature.

However, the controversial question is whether the Legislature would automatically repeal those decrees or citizens are expected to challenge them in court.

The President of the Liberia National Bar Association, Counsellor Winfred E. Smallwood, respected in the country for his long years of professional practice has said that the statement made by the Chief Justice cannot in his view form part of Liberia's Law Reports

because it was not an opinion handed down by the Supreme Court Bench.

Counsellor J. Laveli Supuwood a young prominent Liberian lawyer in his contribution to the debate said he saw no patriotic and reasonable Liberian who would insist that the constitution which all Liberians have waited for and which has been delivered by the Interim National Assembly headed by Dr. Samuel K. Doe would suggest that the constitution be ignored.

"The constitution in and of itself states very clearly and unequivocally in Article 2 that the Constitution is the supreme and fundamental law of the land and that all laws, decrees, treaties, regulations etc which conflict with the constitution must be declared unconstitutional by the Supreme Court", he asserted.

Relating to the statement made by Speaker Hill, Counsellor Supuwood said he was in complete disagreement because "if that position were to be adopted by the Legislature, we would become confused as to whether we are infact under constitutional or martial law".

Counsellor Johnny N. Lewis, Acting Dean of the Louis Arthur Grimes School of Law said "I would think that with the coming into force of the constitution, all decrees, customs, rules and regulations which are inconsistent with the constitution are null and void".

"As soon as the constitution came into force, all decrees which are repugnant to the constitution automatically became null and void" was the viewpoint of Counsellor Margaret M.B. Massaquoi.

In what seemed to be a demonstration of political sagacity, Dr. Amos Sawyer, Chairman of the Liberian People's Party who was banned from political activities by the Interim National Assembly on February 12, 1985 showed the way when he declared that the ban placed on him became null and void as of January 6, 1986 when the constitution came into force.

Asked whether he was contemplating a challenge of the ban, Dr. Sawyer stated that it would be ridiculous for him to talk about challenging it when it is clear in the constitution that banning is unconstitutional in Liberia. There was no official comment on Dr. Sawyer's remarks.

The former Professor of Political Science at the University of Liberia and former Chairman of the erstwhile constitution commission has now taken up a teaching appointment at a university in the United States.

The bearded academician has not been alone in the struggle for constitutional liberties. The United People's Party led by Mr. G. Baccus Matthews has adopted a tough stance with its resumption of political activities regardless of a statement by the Chairman of the Elections Commission, Isaac Randolph that the party is still banned and should therefore seek redress from the National Legislature.

Officials of the UPP feel that their party is feared by a strong few. In their view, the party was banned by the dissolved Interim National Assembly because it is the "strongest, largest and most popular in the country".

Although the documents of the UPP were not probated before the ban was imposed by the INA, the party holds that it is a full-fledged party because as the executives put it, "the law says that whenever a party is certificated by SECOM, it becomes a legal, political party and the probation is only ceremonial."

The Vice-Chairman of the UPP, Mr. Wesley Johnson in an interview with FOOTPRINTS magazine asserted that "for us in the United People's Party we believe that the right to life, liberty and the pursuit of happiness is not a gift of the state, it is inherent, a God-given gift and the state only defines and protects it. We are therefore not begging for our rights we are demanding our rights".

The UPP executive then called on the government "in the interest of peace and stability to act in accordance with democracy because "democracy caters to all, not a few".

Interestingly, the Liberian Business Caucus is still banned according to the government although the ban imposed late last year on identifiable groups like the Press Union of Liberia, (PUL), the National Union of Liberia Teachers (NULT) and the Students Union of the University of Liberia have been declared lifted.

The Liberian Business Caucus however, maintains that it was never legally banned and that it continues to operate according to the Laws of the country.

It is significant to note that the chairman of the Liberia Business Caucus is Mr. James K. Holder who has been

accused of involvement in the November 12 abortive coup. It has not been officially stated whether the alleged implication of "Big Jim" as friends and associates affectionately call him has any bearing on the continued government "ban" on the Business Caucus. The Caucus, a group of young Liberian entrepreneurs has reiterated that it is a non-political organization.

However since economics and politics are virtually inseparable, members say they feel an obligation to the society to express their views on political developments in the country as they unfold.

Regarding student politics, it is hardly understandable that authorities of the University of Liberia, the highest institution of learning in the country indulged in so much feet dragging on whether or not to permit students to engage in student politics.

The President of the University Dr. Joseph Morris at one time said the decree which placed a ban on student politics was still in force although he could not say what decree he was referring to.

From the foregoing analysis, it is clearly evident that democracy is on trial in Liberia. The test is whether the government and people of this great nation can be committed to the fine ideals of democracy or will pay lip-service to what they have overwhelmingly accepted as a way of life.

All said and done, Liberia must move forward, not backward. Perhaps it is necessary to remind the government and people of the words of wisdom of the 18th President

William V.S. Tubman who on July 26, 1955 said "For the future of the Republic, the welfare of ourselves and our posterity, I am persuaded that now just as heretofore, it is incumbent upon us, collectively and individually to examine ourselves, to determine whether or not we are maintaining those shining principles of democracy for which our ancestors sacrificed their lives on these shores. The exigencies of the time require it and our own safety demands it....."

The question to pose is whether 31 years after those memorable words were uttered Liberia is committed to democracy. Regrettably, democracy is still on trial.

If democracy is to triumph in Liberia, the constitution must be respected by all. Chapter 3 of the Constitution guarantees fundamental rights and also guides against tyranny and abuse of power. Public officials should therefore be always mindful of their actions and people who have no intention of respecting the constitution should do themselves and the nation a favour by not accepting any public appointments although even as private citizens they are equally liable for not upholding the constitution.

Of particular importance is that citizens in the public as well as the private sector should be mindful of the consequences of their actions for which they are certainly going to answer (now or later) and avoid any temptation to undermine the constitution.

Of course citizens should never expect that all public officials who take oaths of office will consider them sacred and maintain strict ad-

herence. But in instances when public officials kick against the law their removal should be a matter of course.

Insensitivity to the rights and aspirations of the people has been largely responsible for untimely deaths of many African democratic experiments. And so the only antidote to societal upheavals is good government.

As democracy goes on trial, in Liberia, it is worthy to note that there are a number of issues which are a source of worry to the entire populace. For instance, although the constitution forbids land ownership by aliens, an act has now been passed by the Legislature which is to grant foreigners the right to own land and property. If even this amendment is accepted by the people in a referendum, it is felt in many quarters that it would not automatically make aliens want to invest in Liberia because since they cannot become citizens under the constitution, they may still fear future harassment.

The confrontation between the Press and the Justice Minister is another pointer to the fact that democracy is on trial. This issue is discussed extensively in other pages of this publication.

At the moment there are unconfirmed reports that the Executive branch of government intends to seek emergency powers from the Legislature. If such reports are true, then it does not augur well for a healthy political atmosphere in the country.

The fact that a planned rally of three opposition parties was stopped when a Writ of Prohibition was filed by the Jus-

tice Ministry is also not a good indicator. As a consequence left with practically no political platform to air their grievances, some citizens used the funeral of the late Albert Porte to call for social justice and the holding of new national elections. This call supports one earlier made by the Liberia Action Party, the Unity Party and the Liberia Unification Party, the three parties in the coalition.

Even after their release from detention following the November 12 abortive invasion, some politicians have not had things smooth-sailing, although they have not done anything in contravention of the constitution.

The Standard Bearer of the Liberia Action Party (LAP) Jackson F. Doe was arrested at a Monrovia hotel together with an American journalist Norseborne Berkeley after he (Doe) had gone there to ask the journalist to have a letter delivered to a company in the United States. They were released after interrogation on the same day. One wonders why they were arrested at all.

Also according to Mr. Jackson F. Doe and Dr. Byron Tarr, Secretary General of LAP, there have been people sent from the Executive Mansion to call them on some occasions but they have always stressed that such invitations should be made public before they could be accepted.

The fact that soldiers and policemen were deployed at the Coconut Plantation in Monrovia even when a Writ of Prohibition had been issued not to allow the three opposition parties to hold a planned rally, was considered improper since the only constitutional way to deal with

the situation if the politicians had defied the Supreme Court writ was to hold them in contempt of court. The presence of military personnel created fear and panic in the society.

It is also strange that the Senate or House has not had any open public confirmation hearings. There have not been any public debates on the issue of privatizing some public corporations. Observers are concerned about these things.

One Senator recently said that after the Senate had approved of the nomination of some judges, an NDPL Senator took upon himself to erase the names that he did not want and have them replaced with the names of his own appointees.

But according to the Senator who made the disclosure, the Chief Justice His Honour James Nagbe "put his foot down".

And as we went to press, three opposition leaders, Jackson Doe, Edward Kesselly and Gabriel Kpoleh had turned down a last minute invitation to meet with the President and Zoes in Gbarnga, Bong County. The political leaders among other things felt that courtesy was not extended them as they heard the invitation only on radio.

They also said that it was improper to mix politics with secret societies. Although they show up in Gbarnga on Good Friday as had been announced by LBS (the national radio), the

station appeared oblivious to the position taken by the political leaders and kept announcing all of Saturday March 29, 1986, what appeared to be a 3 p.m. ultimatum/deadline for the politicians to meet with the Zoes and "Tarnue" (referring to Samuel Doe "Chief of the Zoes").

It is not clear exactly what role is envisaged for the Zoes since the Constitution of Liberia does not confer on them any particular status. Nevertheless this may well turn up to be a "pandora box".

Charles Evans Hughes once said that "while democracy must have its organization and controls, its vital breath is individual liberty."

Alfred E. Smith also put it succinctly: "All the ills of democracy can be cured by more democracy." It therefore does not sound reasonable when the argument is advanced that the problems of young democracies demand an injection of a dose of authoritarianism in government.

The craving for liberty cannot be satisfied by mere rhetoric. Democracy must be manifested in the candour of government and the good conduct of citizens, for to do otherwise would be suicidal.

The late Rev. Dr. Martin Luther King's sentiments echoed in 1964, as apt for the present: ".....amid today's mortar bursts and whining bullets, there is hope for a brighter tomorrow. I believe that wounded justice lying prostrate on the blood-flowing streets of our nations, can be lifted from this dust of shame to reign supreme among the children of men...."

/9274

CSO: 3400/1878

27 June 1986

## LIBERIA

## APPLICATIONS FILED BY 25 INDEPENDENT CANDIDATES

Monrovia DAILY STAR in English 20 May 86 pp 1, 2

## [Text]

About 25 applications from independent candidates have now been filed to the Elections Commission (ECON) for the ensuing municipal and by-elections, the Chairman of ECON, Mr. Isaac Randolph said in an interview yesterday.

According to Chairman Randolph, the Commission is still encouraging interested candidates to apply in order to facilitate the holding of these elections.

Chairman Randolph said the Commission's anticipation is to ensure that at least four applications are filed to the Commission for each of the vacant seats, because, according

to him, "we believe that all those who applied may not pass the exercise."

He explained that following the filing of the applications, the Commission would issue to those candidates pre-qualification requirement forms for filing after which they would return same to the Commission.

He pointed out that after completing said forms and returning them to ECON, the Commission would, in turn, evaluate them before those candidates are qualified or declared eligible to run for the position so desired.

Giving a breakdown for the

applications received thus far, Chairman Randolph noted that two were received for the Montserrado senatorial position left vacant by the LAP's refusal to accept the seat, two for Nimba, and one for Margibi County.

He said for other Legislative seats, one application was received from the Zota and Kpantakpa District, and two from Suacoco District in Bong County respectively.

He pointed out that for the municipal elections in the various counties, the Commission has received one or two applications from those areas, except for Green-

ville. Since County where a total of five applications were received from interested independent candidates there.

Chairman Randolph said since the number of applications received thus far is small the elections cannot be held until the required number of applications is realized.

He then appealed to individual citizens of those areas "to come and apply" so that the pre-qualification requirement forms would be made available to them, and thereafter the candidates be evaluated and qualified for the elections.

/9274

CSO: 3400/1939

LIBERIA

DOE SUPPORTS PEACEFUL SOLUTION IN KAMPUCHEA

Monrovia NEW LIBERIAN in English 23 May 86 pp 1, 6

[Text]

The President, Dr. Samuel Kanyon Doe has said that Liberia will support any United Nations resolution that will lead to the peaceful settlement of the Kampuchean problem.

Dr. Doe said Liberia believes in the right of self determination of the Kampuchean people and mentioned that he would cooperate with other world leaders to work assiduously for the attainment of peace and stability in that country.

According to Presidential Press Secretary Patrick E. Kugmeh, the Liberian Leader made the remarks yesterday when the visiting Democratic Kampuchean Vice President Mr. Khieu Samphan paid a courtesy call on him at his Executive Mansion office.

Earlier, Vice President Samphan told Dr. Doe that he was

pleased to be in Liberia and informed him that his mission to several African countries, including Liberia, was to acquaint the proper authorities of those nations with the peace plan of the international committee of Kampuchea and at the same time solicit their support for its implementation.

Vice President Samphan further told Dr. Doe that as a sincere commitment on the part of his government toward this endeavor, his government is prepared to accept conditions which will bring about a lasting peace and stability to the region.

Vice President Samphan was accompanied to the Executive Mansion by Foreign Minister Dr. J. Bernard Blamo.

In a related development, the visiting Kampuchean Vice President and his delegation yesterday held

discussions with the chairman and members of the Senate Foreign Relations Committee at the Capitol here.

Speaking during the meeting, the chairman of the committee, Grand Cape Mount County Senator Tambakai A. Jangaba, welcomed the Kampuchean delegation to the Capitol, and wished them an "enjoyable stay" in Liberia.

Senator Jangaba told the delegation that the Senate Committee supports "the eight-point peace proposal" adopted by the Kampuchean government to bring about "political settlement" in that south-East Asian country.

The Foreign Relations Committee Chairman said Liberia attaches a "great deal" to its relations with Democratic Kampuchea, and noted that the two countries share the "common aspiration" for world peace, har-

mony and self-determination.

In remarks, Vice President Samphan said he was happy for the visit to the National Legislature, and added that his delegation was grateful for the "warm reception" received since their arrival in Liberia.

Mr Samphan spoke of the "untold sufferings the struggle for self-determination has inflicted on the Kampuchean people," and hoped that with the support of Liberia and the international community "peace would prevail in their country."

Other members of the Foreign Relations Committee present at the discussion were, Senators Kekura B. Kpoto, Fred J. Blay, J. Hodo Manston, Robert Dole, and Hilary Gbundlee, among others.

/9274

CSO: 3400/1941

**LIBERIA**

**IMF 'BLACKLIST' BLAMED FOR LACK OF FOREIGN INVESTORS**

Monrovia SUNTIMES in English 22 May 86 pp 1, 6

[Article by John L. Momo]

[Text]

The major factor responsible for scaring away investors from Liberia in recent years is not the prevailing political climate, but the blacklisting of the country by the International Monetary Fund (IMF).

The Director of the Cabinet, Dr. Peter L. Naigow, made the observation on Tuesday, at his Executive Mansion Office in a press interview with **SUNTIMES** regarding his recent tour of Europe from April 1 - May 6.

Dr. Naigow revealed that the basic objective of his visit was

to familiarize himself with investment opportunities in Europe with the hope of tapping them for Liberia for which he held discussions with a broad spectrum of European investors in Britain, France and West Germany.

He said during these discussions, they focused on various aspects of investment possibilities in Liberia in such areas as mining, agriculture, fishing and joint venture avenues with the Liberian Government with regard to the recently

launched privatization scheme.

"The greatest problem in luring in investors from Europe and America is the IMF's blacklisting of Liberia due to the country's debt problems with that institution", he said.

**DIFFERENCES**

According to a recent news release from the National Bank of Liberia, the IMF allocation of special drawing rights to Liberia stands at \$61,058,454 and other liabilities are \$22,721,889. There is a certain limit of indebtedness to the IMF

before a country can be blacklisted.

Dr. Naigow noted that there are many banks and financial institutions that he met who were willing to invest in Liberia, but were deterred by the request that they should wait until the situation with the IMF was cleared.

"I found out that the political differences among the various political parties was not a deterrent to investors as most people would think," he said.

Dr. Naigow who was once a former Minister of Information, further stated that Liberia has to compete with many other Third World and developed countries to attract foreign investors, which means that the

Liberian government has to provide more and better incentives to foreign investors as do other countries to attract them.

To this, he said the desire of the government to privatize several public corporations is seen as an encouragement to investors and a move which is also taken in many developed and developing countries with a view to minimizing budget deficits.

#### PRIVATIZATION

About privatization, Dr. Naigow viewed that his major fear is that a significant percent of the Liberian people do not want the government to outrightly sell out public corporations which have become a financial burden.

What they want is just joint venture schemes and this will not be attractive to foreign investors, but he thinks it would be much appropriate if the government outrightly sells these public corporations and just worry about tax collection.

#### JEFFY COMMISSION

Asked how he became involved with the privatization scheme, Dr. Naigow said that the issue of privatization was part of a series of recommendations brought forward by the Jeffy Commission.

The Jeffy Commission was appointed by the government last year to look into the economic problems facing the nation and

prescribe recommendations, and was headed by Mr. Paul Jeffy, the present Minister of Planning and Economic Affairs.

Dr. Naigow noted that it was after the recommendations of the Commission that the then Head of State, President Samuel K. Doe mandated his office to follow-up the recommendations and assist in the process of revitalizing the economy.

"Since then, we have been talking to investors to do joint ventures with government," he said.

He concluded by saying that government has now got several bids and proposals for all the public corporations earmarked for privatization and they are working on the modalities.

**LIBERIA**

**ISRAELI GOVERNMENT TO STEP UP ASSISTANCE**

Monrovia NEW LIBERIAN in English 20 May 86 p 1, 3, 6

[Article by J. N. Elliott]

[Text]

The Israeli government is to shortly provide additional medical and agricultural assistance to boost the Green Revolution and improve the living conditions of Liberians.

According to the Israeli Ambassador accredited to Monrovia, Mr. Arie Ivtsan

a skin expert is to arrive in the country next month to join other Israeli doctors already here, to commence phase two and three of an examination to improve the sight of citizens suffering from eye ailments. Those affected by various skin diseases will also be

treated, he said.

Ambassador Ivtsan made the disclosure when he paid a courtesy call on Speaker Samuel D. Hill at the Capitol yesterday.

He told Speaker Hill that the Israeli government will also provide agricultural experts to assist Liberians in making the

**Green Revolution a success.**

The nationwide agricultural program which is geared towards making the country self-sufficient in food production was launched last January by the Liberian Leader, President Samuel K. Doe.

Ambassador Ivtsan said the Israeli government believes that mutual relations existing between both countries could only be fostered and strengthened through assistance to one another. He then presented Speaker Hill with a book entitled "Glory of the New Testament."

Speaker Hill who welcomed Ambassador Ivtsan to the Capitol, expressed appreciation for the many efforts being made by Israelis to improve the living conditions of the Liberian people, and explained that there is still need for additional assistance in the areas of education and technical training.

He said the youths of the country need such assistance in order to adequately contribute to the development of the nation.

Speaker Hill said  
Liberian youths are  
determined to learn  
provided they are af-  
forded the opportuni-  
ty to achieve some  
technical training.

He hoped the  
Israeli government  
would look into the  
possibility of provid-  
ing educational and  
technical assistance  
to the country.

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CSO: 3400/1940

LIBERIA

GERMAN OFFICIAL UNDERSCORES NEED FOR IMPROVED BUSINESS CLIMATE

Monrovia NEW LIBERIAN in English 19 May 86 pp 8, 6

[Text]

A high ranking German diplomat in Liberia has underscored the need for improving the business climate in order to arrest the decline of foreign investment.

According to Mr. Egon H. Kochanke, the first secretary at the West German Embassy, the flight of German private investment which is being experienced by many African countries, has been occasioned by a number of factors arising from economic and political instability.

Mr. Kochanke said investors need a favorable atmosphere under which to operate, such as stability in the value of local currencies, continuity in import and export policies and a stable banking system.

He disclosed that the import and export regulations announced here, especially that requiring exporters and concessionaires to surrender 25 percent of their foreign ex-

change earnings, has caused uneasiness among many German investors in the country.

According to Kochanke, West Germany is Liberia's major trade partner in Europe, with the Bong Mining Company here being West Germany's single largest investment south of the Sahara in Africa.

On the official level, Mr. Kochanke said relations between Liberia and West Germany continue to be cordial and harmonious.

The German first Secretary stressed that recent political events here have in no way affected German-Liberian ties, and added that the German government does not attach political strings to its assistance program to any country.

He also disclosed that during the last few years German financial and technical aid to Liberia has neither declined nor increased substantially.

German assistance here are mainly utilized to provide water supplies to provincial capitals, for integrated rural development in Nimba County, educational programs, industrial planning, road maintenance and communication among others.

Mr. Kochanke said the availability of more capital assistance to the country was greatly hindered by the Liberian Government's indebtedness to German creditors.

He said his government was in the process of initiating negotiations to provide relief to the Liberian government by having its most pressing arrears rescheduled.

On the Green Revolution launched here, Mr. Kochanke said West Germany is already playing a role in this program through its technical and financial assistance to the Nimba County Rural Development Program (NCRDP).

27 June 1986

## LIBERIA

## NEW KOREAN ENVOY ON 'GREEN REVOLUTION' AID

Monrovia NEW LIBERIAN in English 23 May 86 pp 1, 6

## [Text]

The newly accredited Korean Ambassador to Liberia, Mr. Haw Won Song, yesterday reaffirmed his government's commitment to assist the Government and People of Liberia, especially in the implementation of the nation's Green Revolution.

He said he would recommend to his government more technical assistance to Liberia in the implementation of the Green Revolution.

Mr. Song made the statement yesterday when he paid a courtesy call on Information Minister Dr. S. Momolu Getaweh to acquaint him with his appointment here.

Mr. Song assured that while in Liberia, he would strive to further strengthen relations between the Governments and Peoples of Korea and Liberia.

He lauded the visit of the Liberian Leader, Dr. Samuel K. Doe to South Korea in 1982, and said the vi-

sit opened a "significant" chapter in Liberian-Korean relations.

He then hoped for further exchanges between officials of government here and South Korea so as to further strengthen the social, economic, political and cultural ties between the two countries.

Commenting on the recent raids by south African forces on the Front-Line States Zambia, Botswana and Zimbabwe, Ambassador Song said South Korea denounced this act of aggression on the part of South Africa.

He then presented to Dr. Getaweh a statement in which his government denounced the raids by South Africa.

Mr. Song also presented a "table clock" to Dr. Getaweh in appreciation of the important duties he performs as Minister of Information.

In remarks, Dr. Getaweh hoped Mr.

Song's appointment as Korean Ambassador here would open a new chapter in the history of Korean-Liberian relations.

He observed that as countries which have had diplomatic relations for a long time it was necessary for Liberia and Korea to adopt common principles on international issues, especially in the promotion of freedom and peace among nations.

Dr. Getaweh told the Korean envoy that the Government of Liberia believed in the total liberation of the African continent.

He then hoped that the "friendly" government and people of Korea would continue to provide moral and technical assistance to Liberia in its development efforts.

Dr. Getaweh also assured the new Korean envoy of government's cooperation in the discharge of his duty here. -- LINA

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CSO: 3400/1941

**LIBERIA**

**LOCAL LEBANESE COMMITTED TO DEVELOPMENT OF NATION**

Monrovia NEW LIBERIAN in English 20 May 86 p 3

[Text]

The outgoing president of the Lebanese Community in Liberia, Mr. Raef Fadel, has said the community was committed to making meaningful contributions to the development of Liberia.

He said it was in this light that members of the community will continue to serve as "catalysts" in promoting investment in the country, while at the same time cementing the mutual and cordial relationship existing between them and their Liberian friends.

Mr. Fadel, who has been president of the community for the last four years, was speaking to reporters yesterday in an interview about his tenure.

The community will May 18, elect a new president.

The former Lebanese

community president then expressed delight over the cooperation received from president Samuel K. Doe, the government and people of Liberia.

He said through this cooperation, the community under his leadership, was able to make significant strides towards strengthening the already friendly ties between its members and their Liberian friends.

Mr. Fadel also commended the Lebanese Ambassador to Liberia, Mr. John Alpha for his efforts in strengthening relations between Liberia and Lebanon.

He said that even though his administration was faced with difficulties, as a result of world-wide economic recession, it was able to undertake meaningful projects during the last four

years through the cooperation of Lebanese businessmen here.

He named the construction of a \$150,000 "Liberian-Lebanese maternity hospital" in Kakata, Margibi County, the granting of scholarship to Liberians to study at local universities and secondary schools and donations to the "group of '77" as some contributions the community made during his tenure.

Mr. Fadel also said during his tenure, he mobilized Lebanese nationals throughout the country to contribute to the socio-economic development of their respective areas of operation.

In this respect, the former president continued, "we reactivated local branches of the committee throughout Liberia."

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CSO: 3400/1942

LIBERIA

LEBANESE CULTURAL UNION ELECTS NEW OFFICERS

Monrovia NEW LIBERIAN in English 23 May 86 p 7

[Text]

The newly-elected President of the World Lebanese Cultural Union in Liberia, Mr. Abass A. Fawaz, has said that his administration would give priority to fostering more cordial and beneficial ties between members of the union and Liberians.

Mr. Fawaz said he would also encourage Lebanese businessmen in the country to participate in developing programs in their respective areas of operation, adding, "in this light, Lebanese in Liberia would be involved in the simultaneous development of the country".

Mr. Fawaz was speaking here recently following his election to

the presidency of the Lebanese Cultural Union at the Cedar Club here.

He cited health and education as areas of development in which he would encourage Lebanese participation.

Mr. Fawaz described his election as a manifestation of the unity and brotherhood existing among Lebanese in Liberia.

He hoped all Lebanese can learn a lesson from the experience of the Lebanese community in Liberia in uniting to stop the war for the development of their country, Lebanon.

Mr. Fawaz then commended the outgoing President of the union, Mr. Raef A. Fadel, for

the able manner in which he carried on the affairs of the union in spite of difficulties.

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CSO: 3400/1942

LIBERIA

IMMIGRATION BUREAU LAUNCHES INTENSIVE SCREENING EXERCISE

Monrovia NEW LIBERIAN in English 19 May 86 pp 8, 6

[Article by J. N. Elliott]

[Text]

The Bureau of Immigration and Naturalization is to shortly begin revoking Liberian citizenship certificates in possession of aliens who have not met the immigration requirements.

According to Deputy Immigration Commissioner for Naturalization, Mr. Sam A. Massaquoi, aliens affected from the ongoing field inspection exercise will also be fined between \$1,000 to \$5,000 for falsification. They will be required to regularize their travelling documents, he said.

Speaking in an interview last Friday at his Broad Street office, Deputy Commissioner Massaquoi said those aliens who fail to regularize their respective travelling documents after the 90-day grace period, will face deportation.

He said the nation-

wide inspection exercise is intended to ascertain the validity of citizenship certificates as well as to check the influx of undesirable aliens in the country.

He told the NEW LIBERIAN that immigration statistics indicates that 869 aliens were naturalized during the last five years while so many others have fraudulently obtained citizenship by misleading the Circuit Court.

Deputy Commissioner Massaquoi, a professional law enforcement officer, cautioned the courts "to stop naturalizing aliens without consulting with the Immigration Bureau to ascertain the status and motives of such persons".

Mr. Massaquoi who served the Liberia National Police for several years in the capacity as deputy director, said "some of the aliens might

have ulterior motives for wanting to become citizens without meeting immigration requirements."

He said under the laws, an alien must denounce his original nationality before declaring his intention to become a Liberian citizen. Such person must be cleared by the Immigration Bureau before he or she can be naturalized by the court, Mr. Massaquoi explained.

Deputy Commissioner Massaquoi warned that any foreigner found without valid travelling documents, will be rounded up by the Immigration Bureau's field inspection team for questioning.

He then appealed to naturalized Liberians who submitted their citizenship certificates to the BIN for screening some months ago, to pick them up to avoid embarrassment.

**LIBERIA**

**BANK GOVERNOR BESTMAN ON SALARY ARREARS PAYMENTS**

**Monrovia NEW LIBERIAN in English 22 May 86 pp 1, 6**

**[Article by G. Kparcon Nardoh and Sam H. Johnson]**

**[Text]**

The Governor of the National Bank of Liberia, Mr. John G. Bestman, yesterday told the Senate Committee on Banking and Currency that his bank has enough funds to encash government employees' salary checks for the months of February and March.

He said if present banking measures being instituted prove fruitful, his bank will be in a position to ensure the payment of salary arrears for the months of April and May and the regularization of government workers' salary payment from thereon.

Briefing the committee on government banking and currency policies with emphasis on new developments within the banking system, Governor Bestman said the National Bank has already arranged with the National Housing

and Savings Bank and the Agricultural Co-operative Development Bank to assist with the encashment of civil servants' checks which were being disbursed by the Finance Ministry yesterday.

He said \$12.5 million in \$5 coin arrived in the country last weekend from the United Kingdom to expedite the payment of salaries.

Explaining reasons for the minting of the \$5 coins, Mr. Bestman said the money was intended to fill the vacuum created by substantial capital flight from the country following the coup in 1980.

He said statistics show that out of \$196.3 million United States currency brought into the country between 1980 and 1986, only \$3 million is presently in circulation.

Mr. Bestman said \$40 million Liberian coins have been minted plus the \$12.5 million brought in from Britain last weekend making a total of \$52.5 million of Liberian coins currently in circulation.

He disclosed that of the \$40 million Liberian coins minted between 1982 and 1985, only about \$5 million is now within the banking system.

Mr. Bestman said this meant that either the coins were being hoarded at home in private safes or are going elsewhere.

In an interview with this paper Tuesday, the National Bank boss said government has no intention now to print paper money because this could cause the Liberian dollar to lose its parity with the American dollar.

He noted that with the five dollar coin,

"we can technically argue that the Liberian dollar is still on the same standard as the American dollar."

Asked about the country's foreign reserve position by our reporter, Governor Bestman warned that it is time for the nation to start using its foreign exchange more cautiously by prioritizing what we import.

Mr. Bestman in a candid assessment of the present situation, said Liberia can no longer afford the luxury of importing things at random, noting that it is shameful that we have to import such things as tomatoes and lettuce.

At the Senate hearing yesterday, Governor Bestman said his bank is working with commercial banks here "on a democratic basis" to build confidence in each other and to accept and encash each other's checks.

He also appealed to the commercial banks to accept both the five dollar coin and the U.S. notes, noting that current measures being instituted by the National Bank will help resurrect the checking system and the bankers' clearing house. The Chairman of the Senate Committee on Banking and Currency, Montserrado County Senator Archibald F. Bernard, thanked Governor Bestman for the briefing.

He noted that the National Bank had given priority to the payment of salaries of civil servants and to finding a solution to the liquidity problems in the national economy, thereby ensuring growing harmony in the banking system.

Senator Bernard who described Governor Bestman as the "right man in the right place," said the committee will work with the National Bank in its efforts to give serious attention to salary and liquidity problems.

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CSO: 3400/1940

**LIBERIA**

**MINISTER SACKOR CHALLENGES CSA ON ESSENTIAL GOODS SHORTAGE**

Monrovia SUNTIMES in English 23 May 86 pp 1, 6

[Article by Daikyo George]

[Text] Internal Affairs Minister Edward Sackor has taken a serious exception to an assertion by General Services Agency Director-General Clarence Momolu about the acute shortage of essential supplies and equipment in the leeward counties.

Director Momolu told SUNTIMES Wednesday in an interview that certain ministries, specifically those in Internal Affairs and Public Works have "deliberately refused" to despatch materials procured by them for the counties.

He said these ministries "do not give supplies to the sub-political divisions of the country even though they are allotted for those counties.

Mr Momolu said many county superintendents in the leeward counties have been inquiring from

GSA as to why their supplies were not forthcoming.

**SCHEME**

He said in the light of these inquiries, GSA offered numerous advices on making use of budgetary allocations, but these ministries prefer "to manipulate the Government's procurement procedure."

The GSA Director-General

re-iterated his call to government ministries to operate within their budgetary limits and to deliver supplies to designated counties.

Mr. Momolu disclosed that GSA recently introduced a centralized purchasing scheme that controls all government purchases.

"This scheme is very regulatory and it has proved useful for the control

of ministerial budgetary allocations provided for in the national budget," he averred.

#### CHALLENGE

He said that for this reason, extra budgetary allotments will not be accepted from any ministry "unless they meet the approval of the Ministry of Finance and the Bureau of the Budget."

He said the purpose of this rule is to ensure that funds are available for whatever extra allotment that would be requested by such ministries.

When contacted, Internal Affairs Minister Sackor expressed surprise over the allegation by the GSA Boss, and he challenged him to show any superintendent who had complained to the GSA about shortage of supplies in his

county.

Minister Sackor said "the truth of the matter is that GSA is unable to supply government ministries with needed supplies for operational purposes."

He said "instead of talking about GSA's inability to cope with government procurement and supplies, he is shifting blame to other ministries."

Minister Sackor explained that his ministry deals with local government and so there is no way anyone can use any county's supplies in the Capital City.

#### APPEAL

"You see, when the budget is approved, you hear that Internal Affairs is allotted X number of dollars, the X number of dollars is distributed among all the sub-political divisions," Mr.

Sackor explained.

Minister Sackor then asked: "Which county will allow you in Monrovia to use the much-needed supplies allotted in the budget for them?"

At the Ministry of Public Works, Minister Yudu S. Gray was not available for comment as authorities there said he was not in the country.

Recently, Grand Cape Mount County Superintendent Henry Konuwa appealed to the Government to dissolve the local branch of the Public Works Ministry in his county.

Supt. Konuwa had blamed Public Works employees in his county of doing little about development.

The employees in turn blamed their inability to work on lack of logistics and on government's failure to pay them their salaries.

MALAWI

# MINISTRY ALLOCATIONS, ATTEMPTS TO RAISE REVENUE EXAMINED

Blantyre THIS IS MALAWI in English 5 May 86 pp 6, 8

[Text] **The government plans to raise more revenue and restrain expenditure during the financial year 1986/87, which began on April 1 and ends on March 31st next year.**

This was the main thrust of the Budget Statement delivered by the Minister of Finance, Mr. Chimwemwe Hara, which he presented to the National Assembly on March 21.

Mr. Hara presented the Budget Statement to outline how the government plans to raise and spend money during the present financial year.

The National Assembly met in a Budget Meeting from March 11 when His Excellency the Life President officially opened it. The meeting ended on April 4 when the Ngwazi closed it.

After the opening Members debated the Motion on the opening address and asked a number of questions about problems affecting their constituencies or the country as a whole.

Later they debated the Budget Statement, and adopted it. They also passed a number of Bills including one allowing traders or businessmen of all races to operate in the city of Mzuzu.

Members also heard and debated the report of the Public Accounts Committee on the expenditure of government money and the report of the Auditor General on government finances for the financial year ending on March 31, 1985.

In his statement, Mr. Hara said that government planned to realise more revenue through the raising of surtax by five (5) per cent. The raising of surtax came into effect on the night of March 21/22, 1986.

Surtax is the tax that is levied on the sale of goods and services in the country. Some goods and services are exempt from surtax.

At the same time the Minister stated that the export levy on tea and tobacco has been removed this financial year.

The Minister did not announce any new taxes on incomes profits.

Mr. Hara then said restraint in the expenditure of money by the government was necessary during the financial year.

In looking at the country's economy during this financial year, the Minister said there were bright prospects since the rains were good this growing season unlike in 1985/86 season.

This also confirmed what the Malawi leader had said at the opening of the Meeting of Parliament on March 11. The Life President had said from what he had seen during his crop inspection tour in January and February, the country will have a bumper harvest of every crop this year. "There can be no question of starvation or dire poverty in this country," the Ngwazi stated time and again during the tour.

The Finance Minister pointed out that the improvement in the economy would be reflected in the improved revenue situation for the government.

In reviewing the financial year ending on March 31, 1986, the Minister said that the economy was still affected by transport bottlenecks with the closure of the traditional routes to the sea.

Malawi's outlets to the sea were now Durban in South Africa and Dar-es-Salaam in Tanzania.

At the same time government expenditure had exceeded revenue receipts.

After the Minister delivered his Statement, four documents were issued to Members of Parliament and government officials. These are documents Numbers 1 to 4 - Estimates of Expenditure on Revenue Account, Estimates of Expenditure on Development Account, Financial Statement 1986/87 and Economic Report 1986.

In the Revenue Account the overall amount of money voted by Parliament is K547,018,462 to be spent by the government.

The Ministry of Education and Culture has received the sum of **K51,248,502**, the highest figure for any single Ministry or Department. This reflects the importance government puts in education in this country.

The Ministry of Health gets K35,201,260.

In the Development Account, which represents the money spent on development projects, the overall amount allocated is K186,100,916.

The money for this is mostly from external sources such as the World Bank and African Development Bank (ADB).

Transport, which covers the development of transport infrastructure such as roads, bridges, railways, airports, receives the highest amount of money. The amount of money is K42,510,474.

The development of transport systems is very important in the overall development of Malawi.

The next highest amount of money has gone to agriculture. The amount is K34,763,846.

Parliamentarians expressed the view that despite transport bottlenecks the country can look to a bright future because of its leadership and hard work by the people in the rural areas and elsewhere●

/13046

CSO: 3400/1857

MALAWI

BRIEFS

FUEL RESTRICTIONS ABOLISHED--The Office of the President and Cabinet has announced the suspension of motor fuel purchase restrictions as from today, up to and including July 27, 1986. The announcement said that following the suspension of the motor fuel purchase restrictions, all fuel stations throughout the country should remain open during the period.  
[Text] [Blantyre MALAWI NEWS in English 10-16 May 86 p 1] /13046

CSO: 3400/1857

MOZAMBIQUE

FOREIGN MINISTER CHISSANO DISCUSSES OAU

MB261135 Maputo Domestic Service in Portuguese 1100 GMT 25 May 86

[Speech by Mozambican Foreign Minister Joaquim Chissano, on the occasion of the 23d Anniversary of the OAU on 24 May; place not given--recorded]

[Text] The OAU was created in 1963. If we look at a map of Africa in 1963 and compare it to the current map of Africa, we will see that the OAU's fundamental role since its inception has been almost completely positive. Its objectives have been almost completely achieved, namely the liberation of nearly every country that was under colonial domination.

The only objectives which have not been achieved yet are the liberation of Namibia, the elimination of the apartheid system by bringing real democracy to South Africa, and the elimination of colonialism in the Western Sahara.

With these exceptions, the OAU has carried out great work. We also know that the OAU Liberation Committee was also created in 1963, and that it has coordinated Africa's support for the national liberation struggles.

Zimbabwe was the last country to be liberated. This occurred in 1980 which was not so long ago. So, after, let us say, 1980 or even slightly before that, after Mozambique's independence in 1975--a number of countries gained independence together with Mozambique in 1975--Africa began thinking about the second half of its objectives; that is, its economic development.

In that context, we saw the development of various forms of cooperation in Africa in an attempt to solve economic problems together. Obviously we are still feeling our way in order to find the best means. We know that a meeting was held in Lagos, an extraordinary summit which centered on this issue, and that has borne some fruit. Furthermore, various regional organizations have been created.

In southern Africa's case. SADCC was developed. This organization is made up of nine countries. There are other organizations which also deal with cooperation issues in west Africa, north Africa, and east Africa, and these are also bearing fruit.

Recently, Africa has been hit by almost general famine due to the nearly general drought in the continent. The African countries, faced with common problem, have convened extraordinary General Assembly on Africa's economic crisis, which is scheduled to be held in New York on 27 May. It is a good way to celebrate the OAU's 23d anniversary. Thus this important OAU meeting will be held only 2 days after the celebration date and it will center on Africa's economic problems.

In this way, the OAU is contributing toward implementing the principle of South-South cooperation as recommended by the Nonaligned Movement and the Group of 77. We want a new international economic order that will bring about greater cooperation between developed and developing countries. However, as OAU member-countries we also recognize the need for self-sufficiency and South-South cooperation.

Furthermore, Africa is combining efforts to solve a number of problems such as the problem of its foreign debt. This problem will certainly be discussed during the extraordinary session of the UN General Assembly which will be held in New York soon.

Another problem that is worth mentioning is the problem of refugees. It is an important, serious, and even delicate problem as far as Africa is concerned--a problem that has received great attention from the OAU in an attempt to solve or reduce it and even to find ways of eliminating its causes.

At present, the OAU is also directing its attention to the struggle against apartheid, which is a source of destabilization in southern Africa. The OAU has launched a major appeal to the international community for diplomatic and even material support for the southern African countries neighboring South Africa, particularly countries experiencing economic pressure from South Africa such as our country, Lesotho, Swaziland, and so on.

Accordingly, I would say that there has been positive development and a continuous struggle which is more visible at some times than others. There are times when we are confronted with weaknesses and failures. However, it is worth noting that Africa has resisted all attempts to destroy the OAU. The OAU is a continental organization and has been continued to be strong and firm. Its continued existence is not due to the absence of disparities in our political systems. It is the result of our strength and good will to continue united, to solve our own problems in Africa, and together to face all challenges imposed on us from outside despite our diversity.

/8918

CSO: 3400/1846

MOZAMBIQUE

COMMENTARY SAYS RSA RAIDS 'GESTURE' TO RIGHT

MB221327 Maputo in English to Southern Africa 1100 GMT 22 May 86

[Station commentary]

[Text] A variety of explanations have been presented for this week's South African attacks on the capital cities of Zimbabwe, Zambia, and Botswana. The South African authorities themselves presented the strikes as part of their war against the African National Congress. If this was the case, then it was a singularly unsuccessful operation. The combined might of the South African army and air force managed to kill one football player in Botswana and one Zambian and one Namibian refugee in Zambia. No one at all was killed in Zimbabwe. In not one of the three attacks did they manage to kill a single South African, let alone a militant of the ANC.

If the aim was not so much to kill ANC members but to intimidate the governments of Zambia, Botswana and Zimbabwe, the operation still appears rather pointless. Since the attacks took place, many international authorities have confirmed the assertion of these three governments that there are no ANC bases or training camps in these countries. So, there is nothing that these governments can be intimidated into doing that would have any effect on the current violence in South Africa.

Another possible South African motive which has been suggested by some observers is that Pretoria wanted to sabotage the peace efforts of the Commonwealth Eminent Persons Group. According to this theory, the Commonwealth group was getting too close to success in its mission of bringing the Pretoria authorities and the ANC together at the conference table. The weakness of this theory, however, is that if the South African authorities really wanted to prevent such an outcome all they had to do was to say no. Bombing three capital cities seems like a case of overkill.

The most plausible explanation for this latest South African aggression is that President P.W. Botha was making a gesture to the extreme right wing of Afrikanerdom--those who think that Mr Botha is turning soft and making concessions. If this is true, then the apartheid regime is in much worse shape than many people have believed up to now.

At the moment in history when the South African regime faces the threat of international sanctions, this regime's interests are hardly served by a foreign military adventure carried out to serve internal party political interests. Only a government with very serious internal problems would take such a step, a step which will almost certainly increase the outflow of foreign capital from South Africa. Indeed, the government has already been accused by the PFP [Progressive Federal Party] Parliamentary opposition of sabotaging the country's future.

Any narrow political advantage Mr Botha might have gained over the extreme right by the attacks is far outweighed by the political damage that has been done to the South African state, a state whose credibility was already at an all-time low. Even Mr Botha's friends in the West have been driven to despair by such action. Monday's attacks were, in short, a military failure, an economic disaster and a political miscalculation of major proportions.

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CSO: 3400/1846

MOZAMBIQUE

# MACHEL PLEDGES NO NEGOTIATIONS WITH MNR

MB271439 Maputo in English to Southern Africa 1100 GMT 27 May 86

[Text] President Samora Machel has stated that Mozambique will never negotiate with the South African-backed MNR terrorists because, he said, they serve foreign interests and are part of international terrorism.

President Samora Machel was speaking in a Japanese television interview in Tokyo. When asked about the true meaning of RENAMO, as the bandits call themselves, President Samora Machel said it is the mortal remains of Portuguese colonialism.

The Mozambican leader said the MNR bandits are not a national organization, or a political opposition, but are terrorists and mercenaries organized by South Africa.

He said certain man-made problems cannot be negotiated, but can only be resolved by eliminating them. He said the activities of the bandits are characterized by kidnapping, raping, and murdering women and children, burning people alive, cutting their victims' ears and noses, and plucking out their eyes.

Asked about what he thought of reform introduced by South African State President P.W. Botha, the Mozambican leader said apartheid is not reformable. It has to be eliminated. He declared that there is no such a thing as democratic apartheid, which he described as the source of all violence in South Africa and of instability in southern Africa.

President Machel said Mozambique hopes to establish long-term cooperation with Japan. He pointed out that Mozambique was richly endowed with natural resources, but lacked the finance to develop them. Private Japanese companies are welcome to invest in Mozambique, he said.

On Mozambique's food needs, President Samora Machel said that the situation is less tragic than it was 1 year ago, but added that it is still serious. He said the food situation had been worsened by MNR banditry, which was responsible for the mass exodus of peasants from the terrorism-infected area.

President Samora Machel also blamed the colonial heritage for Mozambique's current predicament. He said for centuries colonialism was only concerned with making the maximum profit out of Mozambique. He said colonialism organized the backwardness of the Mozambican people and the country itself. He said natural disasters in Mozambique, as in other African countries, are in part man-made.

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CSO: 3400/1846

MOZAMBIQUE

PAPER REVIEWS BACKGROUND OF MNR LEADER

MB230950 Johannesburg THE STAR in English 22 May 86 p 26

[Excerpts] Casa Banana--Afonso Mecacho Mariseta Dhlakama is a relaxed man who measures his every word.

Dhlakama speaks in correct, if accented and slow, Portuguese and says he regrets not having time to improve his English.

"But he is learning quickly and lately has been making good progress..." says Vicente Ululu, who heads MNR's Education Department and who is Dhlakama's private teacher.

With a deep interest in geography and history, Dhlakama listens intently to foreign radio broadcasts, even though the Casa Banana base has a radio monitoring service which works around the clock and which could provide him with transcripts of news and current affairs broadcasts.

Not very tall at 1.70 m, Dhlakama looks shy and diffident, but his eyes shine brightly, his voice is serious and his demeanour determined. There seems little doubt he is the force behind "the struggle against Frelimo, against Samora Machel's policies, against communism."

The son of Chief Mangunde, of Chibababva in Sofala Province, Dhlakama studied at a mission school in Sobue, Tete Province. Later he went to Beira where he attended the Industrial and Commercial High School Freire de Andrade after which he joined the Portuguese Army.

He deserted in 1972 and went to Tanzania to join Frelimo.

"Those were hard times," he says with a slight touch of nostalgia in his words.

"During those times Eduardo Mondlane's spirit was still alive even though some Frelimo members wanted to kill it."

By 1973 he had become a Frelimo company commander in Guenguere. A year later, after the Portuguese coup d'etat on April 25, he joined the administrative section of Frelimo and was sent to Beira and from there to what was then Lourenco Marques.

In March 1975 he became a provincial commander in charge of supplies in Sofala Province.

It was while in Beira that he met Andre Matadi Matsangaissa, who later became the first MNR president.

"He was in an engineering unit. We got on very well and we made friends very quickly. We also agreed there were so many things that were going wrong.

"To begin with there was the constant abuse of power by the new governor of the province, Tome Eduardo...."

By 1977 a totally disillusioned Dhlakama had crossed the border between Mozambique and Rhodesia to throw in his lot with MNR.

In Rhodesia he met Orlando Cristina, who had started the Free Mozambique Radio Station, and other MNR members.

Soon Dhlakama was second-in-command of the new organization's first armed group and, when Matsangaissa, was killed in 1979, Dhlakama became president of MNR.

Married with three children he seems to be between 30 and 40 years old, but carefully avoids any talks about his age. Some say he is between 30 and 33 but his age seems to be mystery even inside his organization.

When he is speaking in his serious manner one could say he is 40 but when he smiles his faces seems to become younger showing a man of about 30.

However, the villagers who live in the MNR-controlled areas and the organization's fighting men refer to him as "the old man."

Dhlakama in the flesh appears to be the opposite of the image that has been generated outside Mozambique.

He is articulate, he thinks before he speaks, his objectives appear clear and his beliefs seem to be genuine.

/8918

CSO: 3400/1846

27 June 1986

## MOZAMBIQUE

## FIRST NATIONAL INSTITUTE FOR ADULT EDUCATION CREATED

Maputo NOTICIAS in Portuguese 10 May 86 p 8

[Report on interview with Aldavanda Martins, coordinator of the adult education project, by Miguel Zia, in Beira City, date not given]

[Text] A group of studies, to arrive at the indicators which will serve as the basis for the creation of the country's first National Institute of Adult Education, is being conducted at this moment at the Manga Pilot Center, on the outskirts of the city of Beira. The project is being directed by the National Department of Cadre Training, of the DNEA [National Directorate of Adult Education], and is financed by the Swedish Agency for International Development [ASDI]. Initiated in May 1985, the project comprises four phases.

In an exclusive interview with our correspondent in Beira, Aldavanda Martins discussed various aspects of the project, which, in this [current] phase, basically involves improving the performance of the instructors assigned to the various centers in operation in the country.

The first phase began with the preparation at the central level for the design of programs, preceded by a study of Mozambique's circumstances.

This was followed by visits abroad, to learn about literacy programs in other countries.

Nicaragua and Argentina were [among] the countries selected, because of their experience in this area. In Argentina, Mozambique had an opportunity, for the first time, to participate in the International Conference on Adult Education.

There were also trips to Brazil, Cape Verde and Guinea-Bissau (countries which are demonstrating considerable success in this area), as well as Portugal.

According to project coordinator Aldavanda Martins, the trips to these countries, which have similar problems in the area of literacy training, were fruitful in that the experiences of these countries provided valuable information which has gradually been introduced in our process of adult education.

According to our interviewee, this first phase ended in December 1985.

## Work in Mozambique

The second phase, which began in March 1986 and ended early this month [May], consisted in the "dramatization," i.e., the actual testing of a whole body of collected data in some neighborhoods and work places.

The company SOGERE, Alto da Manga District and the Manga primary schools were the locations selected.

"Generally, it was noted that not all the participants were sufficiently informed about the project, to the point that it led to difficulties, particularly at SOGERE," our interviewee said.

In addition to members of the Cadre Training Department of the DNEA, provincial instructors from Niassa and Nampula provinces participated in this work. The other provinces were not represented, claiming they had no means of transportation.

"I think this phase had its ups and downs. We will try harder to see that the next phase will be better," Aldavanda Martins assured.

The third phase, which will get underway this month, consists in training new cadres who will be somewhat more specialized. For admission to this course, the participant must have reading skills beyond the sixth-grade level. In this course, new teaching methods will be introduced, geared to the needs of adult education. In this phase, which is decisive, the instructors are all at the ninth-grade level and received special instruction during the second phase.

"To be sure that the instructors are well trained, we set up a teaching workshop here, using a new methodology, and we are really finding that we are going to achieve good results, because the enthusiasm has been great. I liked the spirit of investigation that reigned here," Aldavanda Martins concluded.

The course will be accelerated, to conclude in December or the first 2 weeks in January, in order to allow time for the final evaluation of the project, which constitutes the fourth phase.

6362

CSO: 3442/225

MOZAMBIQUE

NAMPULA SCHOOL TEACHES SEVERAL LANGUAGES, INCLUDING RUSSIAN

Maputo NOTICIAS in Portuguese 10 May 86 p 3

[Article by Salomao Moyana, of the Mozambican news agency AIM]

[Text] On the initiative of the provincial office of the AMASP [Mozambican Association of Friendship and Solidarity with Peoples] in Nampula, courses in English, French, Swahili and German have been offered in that city since March.

The courses, which are being held at night in the 25 June Primary School, will last for 7 months and 172 students are enrolled in them.

Tadeu Manhica, provincial delegate of the AMASP, said that "the idea of creating a language school in Nampula arose because of the interest expressed by various people who approached the AMASP, as an organization which has ties with several countries. The individuals asked the AMASP to organize some language classes." He added that "the idea came up 2 years ago, but at that time we were having organizational problems and there was an electric power shortage, which prevented us from pursuing the idea."

He noted that "once the idea had ripened, and with a better level of organization, this year we made announcements over the radio, inviting those who felt they had the background and the qualifications to teach these languages.

"Thus, teachers came to us and not only accepted our invitation to teach, but also liked the idea of giving the courses because, they said, people who know another language but seldom have occasion to use it in this country run the risk of losing it," Tadeu Manhica explained, adding that "all the teachers are Mozambican. The English and Swahili teachers studied and lived in Tanzania. The German language teacher was trained in the GDR and the French teacher was trained in this country.

"Generally speaking," Tadeu Manhica said, "the teachers demonstrate a quite firm grasp of the material."

The AMASP provincial delegate added that the English course is organized in two levels, the first of which is attended by those who are beginning students and the second by individuals who feel they already have a grounding in the language and want to improve their skills.

"The other courses have only one level, which is basic. Next year, however, we hope to add a second level in each course, since we expect many of the current students to go on to the next level," Manhica reported.

He said that the opening of enrollments was also announced over the radio and "produced a great flood of interested individuals. We are still receiving requests for admission from various people, whom we cannot accept because the classes began more than a month ago and also because the facilities granted to us are already filled to capacity."

Manhica also reported that "within this year, AMASP is going to introduce a course in Russian, for the training of scholarship students who will be going to the Soviet Union in August 1987 under the existing cooperation agreements between the AMASP and the Union of Soviet Friendship Associations."

He explained that the teachers for this language will be "Soviet citizens who are working here in Nampula Province."

In addition to the grantees, other interested persons may enroll in this course.

Asked about possible certificates for the students who complete a level, Tadeu Manhica replied: "The students who complete a level will receive a document attesting to the level which they have achieved."

The AMASP provincial delegate also mentioned the difficulties encountered with the courses, the greatest problem being the shortage of teaching materials, specifically books and texts, notebooks for the students, grammar books for the teachers and students and other indispensable materials for teaching a language.

"We would also like to be able to exchange experiences with the Language Institute of Maputo, to see if we can negotiate for the acquisition of some books and other materials which would facilitate the development of our courses," he said, adding that, "in the case of the languages which are not offered at the Language Institute of Maputo, we are going to contact some cooperants from the countries where these languages are spoken and ask for some help with teaching materials."

Each course meets for 3 hours a week. The electric power shortage has occasionally disrupted the normal schedule of classes; there have been entire weeks when the lessons could not be taught for want of electric power.

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CSO: 3442/225

MOZAMBIQUE

## SOUTHERN TETE DISTRICTS TO BENEFIT FROM FARM PROJECTS

### UNICEF Financing

Maputo NOTICIAS in Portuguese 8 May 86 p 3

[Article by Benjamim Faduco]

[Text] The Rural Development Project (PDR), the first phase of which is scheduled to end next May in the locality of N'Timangau, district of Changara, is a major socioeconomic undertaking which will result in the triumph of man over hostile nature. This is a major initiative being financed by the UNICEF and designed to introduce a complex of new farm technologies in that southern district of Tete. Its final goal is to ensure the economic and social stability of a population which in the past 5 years has been victimized by armed banditry and continuing natural catastrophes. The administrator of the district of Changara, Candido Zagua, said that this is a laudable undertaking and one broadly supported by the peasants, since it seeks to resolve their real problems. The Rural Development Project, locally known as the N'Timangau project, includes the drilling of artesian wells, which, using bucket wheels or windmills, will irrigate the state farms in the cooperative sector, predominant in the region. This same project will also cover the social sector, with the resources necessary for its advance being provided. Locally, the project is being carried out by Mozambicans with the support of UNICEF technicians. The second phase of this project will be pursued in the seat of the district of Changara, where the work will have the same characteristics and goals as that in N'Timangau. The construction and installation of the various windmills planned for the region have already been completed.

Begun early last year, and interrupted shortly thereafter by the criminal activities of the armed bandits, the N'Timangau project is, so to speak, the first serious rural development program in the province of Tete.

The N'Timangau project, resumed in May of last year, covers three zones, including those with the best soil in the region. It was established where the Zambeze Planning Office had had a labor post in the colonial period.

This is a vast region bathed by the Mazoe River. It has a great agricultural potential, in particular for the cultivation of dwarf sorghum, corn, peanuts and a wide variety of vegetables.

The first step taken by the UNICEF in this region was a land survey designed to locate the best soils, as well as an inventory of the main crops. This activity was begun in May of last year, following which the various labor fronts currently active were launched.

#### First Windmill

Last February, the construction and installation of the first windmill were completed, with a view to the definitive resolution of the drought problems, thus guaranteeing abundant production throughout the year.

The first windmill built is located in the settlement of Kapimbe, where there are three farm cooperatives--Eduardo Mondlane, 3rd Congress and 1 May. On an average, according to data obtained locally by our reporter, one windmill will serve two farm cooperatives. In all there are at present nine farm cooperatives.

Now that the first windmill has been built and installed, construction work on the associated reservoir, from which water will be channeled to the state farms, is under way.

The construction work on these windmills is being done by Mozambican personnel duly trained for the purpose. Two other windmills are under construction, and it is expected that all will be ready before next May, at which point the first phase of the Rural Development Project will have been completed.

#### Improved Farm Techniques

The N'Timangau project basically involves the introduction of improved farm techniques in order to raise the peasants' productivity indices. Our reporter learned that N'Timangau now has a tractor, which is being used in the work on the state farms in the cooperative sector.

In addition to the introduction of this type of technology, the local peasants are acquiring new knowledge related to farming. These techniques are being taught to the peasants in N'Timangau by basic farm technicians.

For example, the industrious peasants of the region are being taught the techniques of spacing the planting of their crops, and they are also becoming familiar with methods of calculating the index of productivity for each plot of ground planted. Some of the peasants have already mastered the technique of spraying to combat the insect plagues which have consistently devoured the harvests they have sacrificed so much to raise.

It is in fact a question of introducing basic new farm techniques which will gradually transform the traditional survival farming into an activity which will progressively ensure the well-being of each and all more effectively.

Parallel with this, the family sector is also growing as new farming techniques, the use of turnplows in particular, are introduced. Data collected in the region indicate that a substantial volume of farm tools has just been distributed to the people in the vast district of Changara.

However, the results obtained this season in N'Timangau are identical to those throughout the district of Changara, due to the destruction caused by birds. Like the people in the seat of the Changara district, the peasants in N'Timangau will continue to need emergency aid in order to cope with the critical situation created by the attacks of passerine species.

The peasants are also faced with the problem of finding sufficient seed for the second season crops, truck garden vegetables in particular, including onions, garlic and others.

The locality of N'Timangau, like all of the vast Changara district, produces basically dwarf sorghum, corn, peanuts and other crops. The soil conditions also make the growing of tobacco possible, but this crop is still exclusively limited to the family sector.

#### Dietary Improvement

Another of the activities of the Rural Development Project currently under way in N'Timangau is the implementation of a massive dietary improvement program, which necessarily involves completion of the vaccination campaign.

This program is oriented mainly toward the infant population, and within that category, those who have suffered most from the effects of the food shortage which reached its most critical point in 1983.

The nutritional rehabilitation program also includes providing foods which are better sources of energy. These are being distributed regularly to the population seriously effected by the starvation resulting from the prolonged drought.

According to Kamuzu Basselemo Bene, one of the field officials we met in N'Timangau, this locality has benefited from support reflecting international solidarity, which has resulted in the regular dispatch of substantial quantities of basic food aid.

The solidarity of the international community is not limited to gifts of food for consumption, but has also contributed to reducing the shortage of clothing, which was another of the serious problems faced by the population in this region.

#### Expanded Health Network

The efforts currently being made in the social sector in the locality of N'Timangau also include expansion of the health network in the region.

Data obtained by our reporter indicate that two health stations in Nachinanga and Kaomba have been remodeled, the latter having begun operation last April. In the seat of N'Timangau itself, plans for this year also call for the expansion of the local health station, which will be upgraded from a modest but operational childbirth center.

The remodeling work is being done by the local population, with the support of the health workers assigned to the region. In all, the Changara district has 12 health units, which are subdivided into four centers and six stations.

According to the district health official, Timoteo Monforte, the district staff is made up of 14 individuals, including nurses and health agents.

Where the program for care of mothers and infants is concerned, Changara, which includes N'Timangau, is served by a total of five midwives. The vaccination program is being carried out by three preventive medicine agents, whose task it is to cover the entire district.

Timoteo Monforte said that the health situation in the region is improving gradually with the regular delivery of some basic medicines. The vast majority of them are provided by the international community, and even individually, by some of the cooperative technicians working here. Once they have returned to their own countries, they take the trouble to send some medicines which they are able to obtain, in a gesture of solidarity for which the beneficiaries are very grateful.

#### Livestock Aid

There has also been a great increase in livestock raising in N'Timangau thanks to the financing made available by the UNICEF. Information obtained locally by our reporter justifies expectations of gradual and certain growth in this important sector in the coming years.

As a first step, a survey was made to identify and classify the various species of animals found in the region. Goats predominate, followed by cattle and other smaller animals.

To provide proper support for this undertaking, a dipping tank is being built in the headquarters locality of N'Timangau. This is designed to protect the animals from the ailments which have subverted their growth and development.

The construction of the dipping tank is included in the program for drilling wells and building windmills, which is scheduled to be concluded this May.

The month of May was chosen because it coincides with the anniversary of the launching of the N'Timangau project.

Recently, a meeting to assess the various activities being supported by the UNICEF in this province, including the Rural Development Project which is under way in N'Timangau, was held in the city of Tete.

With the effort currently being made, supported by the broad participation of the peasants, it is reasonable to assume that the coming years will bring an improvement in the socioeconomic conditions for the people of the region. This project serves as a lever promoting real rural development, thus, through the mastery of new basic farm techniques, putting an end to the years of hunger which have always characterized the life of the peasants in the region.

After the program in N'Timangau is completed, an identical project will be undertaken in the seat of the district of Changara. Located to the south of the city of Tete and bounded by the northern district of Guro, in the province of Manica, Changara is characterized by an almost total lack of infrastructures for development.

The fact is that during the colonial period, Changara was a mere settlement, condemned like the rest of the peasant zones in our country to total neglect. It was not until 1980 that it was promoted to district status, because of its size and its extensive economic resources, mainly for agriculture.

It is therefore a district in which the chief city does not even have buildings suited to its new district status. It will thus be necessary to begin practically at zero. And a project identical to that under way now in N'Timangau will doubtless improve the aspect of the region, which will awaken once and for all from the long sleep of poverty and ostracism to which it was relegated during the era of foreign domination in our country.

#### Bandits Hinder Development

Maputo NOTICIAS in Portuguese 8 May 86 p 3

[Text] This district of Changara, in the province of Tete, located about 100 kilometers to the south of the capital city of that name and bounded by the northern district of Guro in the province of Manica, is among the regions of the country in which the people have not known peace, much less an abundance of farm production, in the past 5 years. Changara, like various other parts of our national territory, has been the target of the criminal actions of the armed bandits. Just last year it was the scene of a number of enemy incursions, those perpetrated in April and October of last year against the peaceful population and the workers in the locality of N'Timangau being the most cruel. In the first criminal action, a young Mozambican technician, who was then directing the Rural Development Project under way there, was assassinated in barbarous fashion.

Apart from the armed banditry, Changara has never had farm production which could satisfy its approximately 100,000 inhabitants, either. The years following the prolonged drought which reached its most critical point in 1983, brought infestations of grasshoppers, "makombes" and birds, which have decimated all the grain crops this year. The bird plague did not leave a single stalk of sorghum standing on the state farms. This is one of the regions in which the most generous domestic and international aid will continue to be needed, despite the great efforts made continually and almost desperately by the local peasants in the past 5 years. The murderous armed bandits kill and hunger does too--that is the sad reality in Changara.

By far the greater part of the farm production this season has been hopelessly lost because of the depredation by passerine birds and "makombes," which attacked all of the fields of sorghum when it was already well matured.

This scourge, unprecedented in the region, affected the district of Changara. A veritable cloud of birds invaded the area, and in a few hours devoured 5

hectares of sorghum, leaving not one single seed. This was the most tragic plague of this type by the plunderers of grain, and it left vast state farm areas completely bare.

To make the tragic drama of the peasants in the region worse, according to information obtained by our reporter, this farm season had been viewed as likely to be the best in the past 5 years.

The district farm official, Mouzinho Joaquim Cebola, described the situation as rather serious, since "the people suffered from the effects of the grasshoppers last year, and this year they tripled their efforts in the hope of obtaining better results and thus having larger food reserves. And now their farms have been invaded by veritable clouds of birds."

The infestation of birds struck the farms at a time when the district was also suffering from outbreaks of measles and diarrhea. This situation forced the peasants to be present in their fields to frighten the birds away at the same time as they needed to seek health care for their loved ones.

There were cases, according to the district farm official, in which families returned from an overnight visit to the health post 20 kilometers from their settlement to face the fearful fact that there was nothing left to harvest.

To illustrate the tragic situation resulting from the depredation of the grain crops by the birds, Mouzinho Cebola described the situation at the sorghum seed-growing facility of the District Farm Office in Changara. In the fields from which it was expected that about 60 tons of dwarf sorghum would be harvested, only 2 tons remained after the birds had despoiled the fields.

#### Vegetable-Seed Shortage

The only hope of the peasants in the district of Changara is the second-season crops, truck-garden vegetables in particular. However, this hope may also be dashed unless emergency measures are taken to provide the needed seeds.

The people living along the banks of the Luenha and Mazoe Rivers, which run through the district, are hastening to the river bottoms in the desperate hope of producing something to offset the hunger which their faces still reflect.

The people need seeds for their onion and muskmelon crops. Without them, the specter of hunger will continue to hover over the region, despite the efforts of the peasants, who are doing everything possible to produce some food.

Where onions are concerned, Changara produces about two thirds of the total production of the province of Tete.

The peanut crop is the only one for which there still some hope, although this oleaginous crop is not extensively consumed by the people of the region.

The flights of destructive birds have affected not only the production of the family sector, but have undermined the efforts in the cooperative sector

equally seriously. Even the peasants in the Wirymo Massacre Pilot Farm Cooperative have seen their sacrificial efforts negated by the hordes of birds.

All of the sorghum fields we visited in the various settlements through which we passed in Changara reflect the desolate picture produced either by grasshoppers or by birds.

Following the natural catastrophe which has struck a region already plagued by so many others in the past 5 years, there remains no alternative for the tireless and desperate peasants but to hope that once again, the generous hand of the international community, and not only that, will be extended to them.

The huge barns of the peasants can timidly boast only a minimal quantity of corn harvested this year. From this tiny amount, the peasants of Changara will have to take a very small portion for the coming planting season, leaving the rest for their own consumption. This is a desperate struggle being waged against the effects of hostile nature, the persistence of which in the past 5 years has created a bitter reality.

#### Nonexistent Trade Network

Added to the difficulties created by the criminal actions of the armed bandits on the one hand, and natural catastrophes on the other, is the problem of a practically nonexistent trade network. The few establishments with walls still standing have little or almost nothing to sell. This is a reality which is without a doubt tragic, and which only a people with courage and confidence in a better tomorrow could convert into renewed energy to continue the struggle.

Characteristically, rural trade increases in exact proportion to the extent farm production prospers, or at least yields a minimum of profit with which to reactivate the trade network. Otherwise, every effort in connection with trade will come down to a mere theoretical exercise and as such, will be doomed to failure by the causes which led to it.

The Changara district is a vast region with a population estimated at about 100,000 individuals, distributed in very scattered form, as is characteristic, moreover, of African rural zones. The process of establishing the communal settlements which are defined as the backbone for the socialization of the rural sector in our country is still another project in the province of Tete.

The factors hindering the establishment of communal settlements in this northern region of our country include the criminal actions of the armed bandits and the continuing natural catastrophes. These elements together have forced the people to pursue a life of constant nomadic wandering, the effect of which is to undermine all the socialization efforts.

Because there is no production, one cannot even discuss farm marketing, either in Changara or in the majority of the districts in that province.

For the reasons set forth above, there is no trade activity as such in Changara. What does occur sporadically is the sale or distribution of various articles and basic consumer goods items received there as supply shipments or gifts.

The shortage of clothing and the prevalence of illness, which is made more acute by the dearth of soap, constitute a veritable scourge, despite the fact that substantial quantities of clothing have been donated by the international community.

Oil, matches, salt, and cloth are unavailable, just as there are no outer garments or blankets. At the same time, no economy, however strong it may be, could provide food, clothing, shoes, education and medical care for a whole people when, in their majority and for reasons beyond their control, they do not produce even a minimum. No trade network exists, just as there is no significant productive activity. The people of Mozambique are bearing up in self-sacrificing and impressive fashion in a wartime situation and through the worst stage in its history any people could experience.

Even the cooperative trade network is facing the same general problem created by low farm production, which in turn is the result of the banditry and successive natural calamities.

The small quantities which do reach a district or locality remain in the end in the hands of a limited few who laugh at the suffering of their neighbors. Favoritism, nepotism and speculation are not practiced in the large cities illuminated by "dazzling neon lights" alone, but have already reached the rural sector, with equally cruel results. And the country is sinking into the mire of a "save your own skin" philosophy.

#### The Tragedy of the Rural Teachers

The difficulties of various sorts which are currently affecting a large part of Mozambican society, with heavy incidence in the rural sector, have not spared the education sector, and the same is true of the literacy and adult education program.

The positive fact that the school network in the district of Changara, which includes 57 schools and centers, is 90 percent operational, does not mean that the results to be obtained are equally satisfactory.

The serious problem faced by the 190 teachers, the majority of them young people, who instruct the first through sixth grades, is placing the final results in jeopardy, thus frustrating all of the dedication, dynamism and great patriotism so often demonstrated by the new generation of teachers in our independent fatherland.

The crucial problem is the disparity between the goals established centrally and the resources later made available for realizing them. The problem is in fact an almost total lack of books, basic school materials for the students and manuals for the teachers, among other things.

This situation was described by Paulo Jose Katete, the district director of education and culture, as a serious one which places the teachers in a delicate position between the students and the community in which they carry out their noble task of educating the new man.

Katete told us that with a school enrollment in the primary grades of 8,811, distributed among the 57 schools currently operating, the district of Changara received only the insignificant volume of 1,290 books for the present school year. These books are science texts for the third-grade level in the new education system.

The other primary school classes received no books at all, much less any basic school materials, specifically notebooks, pencils, ballpoint pens, erasers and other items.

According to this official, the situation is becoming more acute for the first-grade classes, where the students lack the necessary individual exercise notebooks. Nor do the teachers have these notebooks, which makes their task practically impossible.

Along with this situation, the fourth-grade teachers are without the manuals they need, as well. The problems in education in this district were still further aggravated during this school year by the substantial increase in the number of students enrolled, some of whom come from the district of Guro, in the province of Manica, currently affected by the armed bandits' activities.

This has forced Changara to accept a number of students vastly exceeding its goal, so teachers have had to teach from morning till night in some schools to serve the large number of students forced to migrate to this region.

The secondary grades, offered at the school center in Boroma, currently have an enrollment of 627 students on the fifth and sixth levels. They are served by 14 teachers. The secondary-school level also includes the Accelerated Workers Training Center (CEFAT) located in the locality of Marara.

This establishment, like that in Boroma a boarding school had only 85 of the 120 students expected enrolled for this school year. There are six teachers.

On this educational level too, the problem of books and basic school materials exists, the district director of education and culture, Paulo Katete, added.

The literacy and adult education sector is the only one which has been provided with the substantial volume of books and basic materials needed for its operation. However, this same official explained, the literacy program is being hindered by the shortage of teachers trained for this branch.

Because of the continuing lack of teaching and other materials, a situation which existed last year as well, the final results in education have been very limited, most seriously affecting the first, fourth and sixth grades.

5157

CSO:3342/226

MOZAMBIQUE

TANZANIA SUPPORTS COFFEE PROJECT IN GURUE

Maputo NOTICIAS in Portuguese 9 May 86 p 2

[Text] The nation's coffee production (still rising) could come to take care of the shortage of that product on the domestic market, alleviating the burden on the state budget of acquiring coffee from abroad, even though it has not been imported in any large quantity in recent years. According to Gregory Nyombi, leader of a Tanzanian team promoting coffee production in our country, a coffee cultivation project is now being established in Gurue, Zambezia Province. Because of certain adversities, however, the harvest is not yet large enough to meet the growing domestic demand.

According to Gregory Nyombi, the project to initiate coffee planting at the EMOCHA [?Mozambican State Coffee Company] in Gurue is in response to the request by President Samora Machel, during his visit to Tanzania, that, instead of exporting coffee to Mozambique, Tanzania would promote coffee growing in this country.

In May 1980, a team of Tanzanian technicians, including an agronomist, an economist, a pathologist, a farm mechanic and a planting planner, arrived in Mozambique and started a coffee plantation in Zone 3 of EMOCHA, in Gurue.

According to Nyombi, seed was brought from Tanzania and another lot of seed was obtained in Brazil and Malawi. He based his choice on the high yields of these seeds and their resistance to several diseases and pests.

"In a report presented to the Agriculture Ministry, resulting from a study conducted in Mozambique, it was determined that Gurue would be the first area in which to establish a program to promote coffee growing in Mozambique; the project would also include Milange, Tacuane, and Alto Molocue, in Zambezia Province, and Lichinga, in Niassa Province," Gregory Nyombi said.

According to the Tanzanian technician, the first plantation was started in a 120-hectare area and 25 more hectares went under cultivation in 1983. The crop was later introduced in Tacuane (14 hectares), Milange (7 hectares) and Block No 2 of EMOCHA, in Gurue, Zambezia Province. In addition, a 7-hectare area in the same zone was rehabilitated.

According to Gregory Nyombi, the program has already been introduced on 288 of the 500 hectares initially planned by 1986.

The technician noted that although the climate in that area of the country is favorable for growing coffee, because of the war situation, which disrupts traffic and communications between the various districts of the province, the introduction of the coffee crop in Mozambique is slowed because supplies of chemical products and fertilizers are cut off.

It should be noted that in this first phase of the project, on the 288 hectares on which coffee is now being grown, the yield is 250 kilograms per hectare, which comes to about 7,200 kilograms per year, a quantity which Gregory Nyombi considers to be still insignificant.

#### Roasting Industry

The present status of the coffee processing industry reflects the figures for the nation's coffee production; roasting plants have been abandoned.

Carlos Gaspar, owner of the "Casa do Bom Cafe," says there are virtually no channels for distribution of raw coffee, so the activity of these specialized establishments is limited to roasting and grinding coffee for individuals who request these services.

"I think that if there were an efficient collection of the coffee from the zones where it exists, we would not be experiencing this shortage and, in my opinion, the product would be distributed more equitably on the market. The coffee roasting establishments in Maputo are surviving by selling tea. Well, this is not right when there is coffee being produced in Mozambique. If there were an agency responsible for delivering the coffee from the producer to us, the current state of the roasting and grinding industry would be very different," Carlos Caspar said.

For his part, Alfredo Manjate, of the "Cafe Liberia," said that the last quota he received was in 1983; last year he received instant coffee, in laughably small amounts.

6362

CS0: 3442/225

MOZAMBIQUE

BRIEFS

INCREASE OF REFUGEES INTO GAZANKULU--Figures released by the Gazankulu Department of Internal Affairs show that there are 15,560 Mozambicans registered in this national state. More than 12,400 of them are being accommodated in the Mala District, about 1,600 are registered in (Rivati), 830 in the Giyani District, and about 700 in the (Malemulele) District. Meanwhile, the registration campaign of the department is continuing. The chief minister of Gazankulu, Prof Hudson Ntsanwisi, says the illegal immigrants from Mozambique are only being allowed for humanitarian reasons and are not citizens of Gazankulu. He said the presence of the Mozambicans was having a negative influence on the standard of living of his people. [Text] [Johannesburg Domestic Service in English 1500 GMT 26 May 86 MB] /8918

DRILLING EQUIPMENT FOR GEOMOC--Drilling equipment valued at about 850,000 French francs has been delivered to GEOMOC [not further expanded] in Machava. The material, donated through a UNDP project, was presented by Maurice Labi, chief of the Cooperation and Social Action Mission of the French Embassy in Maputo. The gift was accepted by Inunsso Ibraimo, acting general director of GEOMOC, in the presence of Engineer Lopes Pereira, national director of water resources. Maurice Labi, who paid a lengthy visit to the GEOMOC installations, accompanied by GEOMOC engineers and officials, said it is important to maintain close cooperation between France and Mozambique, giving priority to development programs in Mozambique, in which France is taking part on various fronts. He said it was highly important to encourage the drilling of wells, because there is no life without water. "Life is impossible without water. Plants need it. Animals, men, the great development projects--all these must have water. So I am certain that this equipment will be put to good use and, to the extent possible, we will continue to stand by you, supporting the development projects," Maurice Labi said. In turn, Inunsso Ibraimo voiced his thanks for this gesture of solidarity, noting that this was not the first shipment of material that GEOMOC had received from France. [Excerpt] [Maputo NOTICIAS in Portuguese 6 May 86 p 2] 6362

CSO: 3442/225

NIGERIA

UMAR CALLS FOR MILITARY FOR NYSC MEMBERS

Kaduna NEW NIGERIAN in English 13 May 86 pp 1, 3

[Article by Sani Babadoko and Suleiman Gambari]

[Text]

GOVERNOR of Kaduna State, Lt.-Colonel Abubakar Umar, has again called for the introduction of military training in the National Youth Service Corps (NYSC) programme.

He said at the opening of the Kaduna State Corpers "Maiden Week" in a speech read by the Commissioner for Youth, Social Development, Arts and Culture, Alhaji Mohammadu Makarfi, that the introduction of military training would inculcate discipline in our youth.

He said it would also serve towards the creation of a national military reserve.

Governor Abubakar Umar commended the corpers for their foresight and the humane gesture in launching the 250,000 Naira appeal fund in aid of motherless babies homes.

Governor Umar also commended the corpers for the projects executed during their community development programme which, he said, were vital to the general socio-economic development of the state.

The NYSC Director, Colonel Edet Akpan, whose address was read by the Assistant Director for Finance and Administration, Mr. S.G. Gukun, seized the opportunity to express his gratitude to employers of corps members in the state and hoped these efforts would be increased to reduce the level of graduate unemployment.

"While appreciating the fact

that our economy is bad, we must also consider the plight of youth and encourage them to give us their contribution in the struggle to revamp the economy," he added.

Colonel Akpan said over the years the NYSC members had become guardians of the nation's conscience, adding that "our goal since the inception of the scheme has been to produce a dedicated, disciplined and conscientious youth who will always be ready to sacrifice for the development of the nation."

The Kaduna State Chairman of the NYSC, Alhaji Sani Dangaji, said the NYSC community development schemes in the state had executed about 251 projects worth three million Naira since the inception of the programme in 1973.

Alhaji Sani said with adequate infrastructural facilities, the scheme could do more than it had done so far.

He said the NYSC farming scheme could transform Nigeria from its present status into a food exporting country.

About 6,000 Naira was collected at the occasion.

NIGERIA

BASE ESTABLISHED TO FIGHT MARITIME CRIME

Kaduna NEW NIGERIAN in English 14 May 86 p 3

[Text]

MARITIME criminals, especially smugglers and illegal bunkerers in the delta area of the country, would come face to face with the Navy's fire-power.

Government's determination to curb illegalities rampant in this area which houses a sizeable portion of the country's oil exploration and refining activities, was assured at the weekend with the opening of a naval operational base - the "NNS UMALOKUN" by Minister of Defence, Major-General Domkat Bali, in warri Bendel State.

The NNS UMALOKUN is expected to serve as habitat for naval ships operating in the Delta area, protecting oil terminals at Escravos, Forcados, Oloibiri and other vital locations in the area against illegal bunkerers and poachers.

The base, under the command of veteran Navy Captain S.A. Akano, is presently equipped with half a dozen of the Navy's 26 fast attack patrol boats which military experts said had capabilities to effectively check

intruders because of their highly regarded speed of about 36 knots (about 50 kilometres) per hour.

The establishment of the base is also expected to cut down travelling time of patrol craft between older bases like Apapa (Western Command) and Calabar/Port Harcourt (Eastern Command) and the Navy's operational area in the Delta.

General Bali while commissioning the base, expressed the Federal Military Government's appreciation of the Navy's role in curtailing the activities of Maritime criminals in the Delta area.

He said that NNS UMALOKUN's establishment was part of Federal Military Government's desire to ensure a permanent and effective naval presence in the delta "in view of the huge and strategic government investment in this area."

In what looked like a warning against laxity, General Bali told officers and men of the new base that "bases and ships alone do not make a navy."

/13046

CSO: 3400/1858

NIGERIA

CATEGORIZATION OF 1985 IMPORTED GOODS

Lagos BUSINESS TIMES in English 12 May 86 p 1

[Article by Roseline Umesi]

[Text]

**N**IGERIA imported goods and services worth ₦7.2 billion in 1985. According to the Exchange Control Department of the Central Bank of Nigeria (CBN).

And out of this, a total of ₦5.2 billion was spent on visible imports by both the private and public sectors of the economy, while ₦2 billion was spent on invisible imports. However the figure for debt services was not included.

According to the disbursement figures, the private sector accounted for ₦3.9 billion. When further broken down, a total of ₦1.4 billion was spent on raw materials; ₦1.2 billion on machinery, spare parts and completely Knocked Down Parts (CKD). Also a total of ₦380.8 million was spent on importation of food, while ₦943.6 million was spent on importation of general merchandise.

The statistic also indicated that ₦1.2 billion was spent by the public sector. The breakdown of how the ₦2 billion spent on invisible items was done, were not given. However, there are many items which make up invisible imports and such items include Basic Travelling Allowance (BTA), educational disbursement for Nigerians schooling abroad, foreign exchange transfer by foreign airlines, insurance payment transfer and various exchange transfers associated with service industry and other government transfers such as debt repayment.

It could be remembered that the 1985 budget projected to disburse ₦8 billion on both visible and invisible imports. The 1985 budget also projected to spend a total of ₦3.5 billion on loan repayment. The 1985 budget projected a total of ₦3.2 billion for the importation of visible goods, while a sum of ₦1.1 billion was projected to be spent on invisible goods. Foreign exchange earning for 1985 was projected at ₦8.024 billion.

Despite the fact that most of the projected imports were met in 1985 yet scarcity of both industrial and consumer goods was witnessed.

The amount spent in 1985 on imports was an improvement when compared with that of 1984. For example a total of N6.7 billion was spent in 1984 on both visible and invisible imports. Out of this, N4 billion was disbursed to the private sector for importation. The public sector spent N1.9 billion while N691 million was spent on invisible imports.

In 1983 the amount of foreign exchange spent on importation of goods and services was higher than that of 1984 and 1985.

A total of N8.8 billion was spent in 1983 on imports. Raw materials, machinery, spare parts and CKD

accounted for N4.6 billion; food accounted for N796 million; general merchandise accounted for N2 billion while invisible imports accounted for N1.4 billion.

The 1986 budget estimated foreign exchange earning of N9.6 billion and about 70 per cent or N6.7 billion is estimated to be spent on importation of industrial goods for the purpose of a domestic production activities while 30 per cent or N2.8 billion is reserved for external debt repayment.

It is however feared whether the foreign exchange budgeted for 1986 will be realised because of the drastic decline in the price of crude oil, which is the major source of our foreign exchange earnings.

/13046

CSO: 3400/1858

SAO TOME AND PRINCIPE

FRNSTP REFUGEES SEEK AID TO CONTINUE RESISTANCE

Windhoek THE WINDHOEK OBSERVER in English 9 May 86 p 1

[Article by Jim Freeman]

[Text]

**THE 76 North African "boat people" who arrived at Walvis Bay a week ago are members of a resistance movement and fishermen by necessity only.**

The entire group are members of a banned movement struggling for the overthrow of the Marxist government of the Republic of Sao Tome and Principe.

This was revealed in an interview with The Advertiser's man the spot this morning.

The leader of the group, 25-year-old Sergio Cordosa, said the movement, known as the Frente de Resistencia Nacional de Sao Tome e Principe, had not yet resorted to arms to overthrow the government of Mr Pinto da Costa. But they were willing to accept any assistance it could receive in arming and training its members.

Mr Cordosa said the leader-

ship of the movement had made contact with Dr Jonas Savimbi's Unita movement and would welcome any help that Unita could give in training the FRNSTP.

However, any possible aid depends on the South African government's willingness to both allow them to stay in Namibia and continue with their political activities, according to the South African Department of Home Affairs representative at Walvis Bay, Mr Fred Gibson.

"It is our dream to continue with the struggle to overthrow Mr Da Costa," said Mr Cordosa.

"But, if the South African

government does not allow that, then we have no choice but to abide by their decision.

"We have nowhere else to go. We cannot return to Portugal as we have problems there," said Cordosa, who spent several years working in Europe.

The movement's leader is a shadowy figure: Mr Manuel Alfonso Rosario dos Santos, who is known to be in Europe, but the group which arrived in Walvis Bay is unable to pinpoint his whereabouts.

Mr Cordosa said the movement was about 450 members strong, but asserted that the national resistance front had extensive support in Sao Tao and Principe, which has a population of about 100 000.

The FRNSTP is the only opposition grouping in the island group since the country gained independence from Portugal in 1975.

/9274

CSO: 3400/1880

SENEGAL

BRIEFS

WADB GRANTS AGRICULTURAL LOAN--The West African Development Bank, WADB, has just granted to our country a loan of 1.378 billion CFA francs. Agreement to this end was signed this very day in Lomé, the headquarters of the WADB, between its president, Baba Moussa Boubacar and (Samsigue Gueye), director general of Agricultural Credit Bank. This loan falls within the framework of the new agricultural policy whose primary objectives are the reorganization of the rural areas; the reorganization of training methods, and development of irrigation for agricultural purposes. The loan will allow for the mechanization of 83 agricultural units representing a total of 5,000 hectares of irrigated land for rice cultivation. /Text/ /Dakar Domestic Service in French 2000 GMT 5 Jun 86 AB/ 12228

REDUCED ELECTRICITY PRICES--Dakar, 29 May (AFP)--A 5-18-percent reduction in electricity prices in Senegal is to come about beginning 1 July 1986, Serigne Lamine Diop, minister of Industrial Development and crafts announced during a debate on budget allocation of his ministry at the National Assembly. Under this measure, the price of electricity should go from 68.85 CFA francs (FR1.37) to 65.40 CFA francs (FR1.30) per kilowatt/hour for domestic consumption (low tension) and from 62.53 CFA francs (FR1.25) to 51.27 CFA francs (FR1.01) per kilowatt/hour for industrial consumption (medium tension), it was learned today in Dakar at the Senelec (Senegalese Company for the Distribution of Electricity). According to the Senegalese minister of industrial development and handicrafts, this reduction in electricity price stems from the current favorable economic situation (the combined fall in the U.S. dollar rate and in oil). Furthermore, he said, this reduction will help encourage the new industrial policy established this year by the Senegalese Government by considerably reducing overhead costs of industries. Finally, Mr Diop announced that a 40 megawatt thermal power station will soon be constructed as part of the Senelec modernization and reorganization program aimed at better responding to the demands of consumers. /Text/ /Paris AFP in French 1408 GMT 29 May 86 AB/ 12228

ITALY TO GRANT 3 BILLION CFA--Dakar, 23 May (AFP)--Italy is to give Senegal a 3-billion-CFA francs grant (Fr60 million) providing for the implementation of a 5-year program in the spheres of health, agriculture, village water projects and energy, according to the terms of a draft agreement between the two countries signed today in Dakar. This program, it is learned from an official source in Dakar, mainly concerns three regions of Senegal: the River Senegal valley, the main coast (Thies) and the upper course of River Gambia /Eastern Senegal/. /Excerpt/ /Paris AFP in French 2052 GMT 23 May 86 AB/ 12228

CSO: 3400/1881

TANZANIA

ZANZIBAR TO REVITALIZE TAX SYSTEM, ECONOMY

AB300836 Paris AFP in English 0754 GMT 30 May 86

/Text/ Dar es Salaam, 30 May (AFP)--The Zanzibar Government has slashed sales tax on imported textiles by 40 percent and frozen personal income tax in its 1986-87 budget estimates presented to the legislature this week.

Finance Minister Taimure Salem proposed a sales tax on private telephone and telex subscribers, and introduced a 10 percent import tax on timber, with an additional 1 percent landing charge.

The budget of 1,399 million shillings (77.7 million dollars) is 9.7 million dollars higher than last year's because, Mr Saleh said, of constant increases in the prices of goods and services.

Officials said the thrust of the budget would be to rehabilitate the economy, which they said had hit rock bottom in recent years because of the poor performance of the clove industry, which normally supplies 90 percent of foreign exchange.

Economic Affairs Minister Saidi Bakari Jecha told the house that Zanzibar would withdraw from the new Tanzanian joint national development plan with mainland Tanganyika running until 1990 because of island government had failed to cope with the previous 5-year plan ending last year.

His planners considered it unwise to embark on the second one without first removing obvious snags and revitalizing the economy, he said.

Mr Jecha noted that the continued trade deficit with the mainland had shot up from 39 million shillings (2.2 million dollars) in 1983 to 238 million shillings (14 million dollars).

/12228  
CSO: 3400/1903

ZAIRE

EXECUTIVE COUNCIL MEETING REVIEWS FIRST QUARTER PERFORMANCE

AB241620 Kinshasa AZAP in French 0857 GMT 24 May 86

[Text] Kinshasa, 24 May (AZAP)--The Executive Council and the regional governors have been meeting in Nsele with the executive coordinator of the party since Friday in order to assess the council's performance over the first quarter of the current year. This evaluation session follows the major changes within the Executive Council initiated by the leader of the party on 18 April and the agreement of the Paris Club on the rescheduling of Zaire's external debt.

The quarterly assessment of the performance of the Executive Council makes it possible to improve the working methods at all levels and thus to increase the efficiency of the state's steering organ. The decision by the MPR founding chairman to renew his confidence in the Executive Council's coordinator and the rescheduling of our debt by the Paris Club are positive signs of the action by the executive organ of the state party. The results already obtained in the effort to bring the economic situation under control must spur it on to redouble its efforts in order not to compromise the set objective of revamping the national economy through the 5-year development plan. Such appraisal meetings, like the Nsele one, offer an opportunity to give a critical look at the past performance and to reflect on the appropriate methods to attain the objectives under the best conditions.

As the Executive Council coordinator stressed in his opening address to the appraisal meeting, there are preconditions for the success of the revamping of the Zairian economy. They are, notably, the reduction by 20 percent of the level of inflation, increasing state revenue, and the continued improvement of public management. These preconditions demand systematic work through which the state commissioners and regional governors can regularly follow the implementation of decisions and detect on time the eventual causes that hamper the implementation of some of them. The success that has already been made in public management is the result of the self-discipline of the executive organ in the implementation of the directives of the party leader. The course which remains to be taken is full of impediments, the most crucial of which is the instability of the prices of our export products. In the face of these uncertainties, the regular appraisal of the performance of the executive organ of the party proves to be an efficient means of being as realistic as possible and managing the future by relying on our past experiences.

/9274

CSO: 3400/1884

ZAIRE

GOVERNMENT REAFFIRMS RESPECT FOR ANGOLA AGREEMENTS

Kinshasa ELIMA in French 10-11 May 86 pp 1, 7

[Article: "Zaire-Angola: Kinshasa will Respect the Letter and Spirit of the Agreement on Defense and Security"]

[Excerpt] "Since relations with Angola were normalized by the signing of certain agreements on defense and security forbidding any subversive activity between the two countries, Zaire has intended and still intends to respect scrupulously the letter and spirit of this agreement." This was the message of the Zairian ambassador to Luanda in a note sent on Monday 5 May to the Angolan ministry of Foreign Relations, the various embassies and diplomatic missions accredited to the People's Republic of Angola and the main Angolan press organs.

This communique follows the recent allegations made by President Kenneth Kaunda of Zambia, who, in his capacity as acting president of the Front Line countries, had said that Zaire was transporting U.S. military materiel to the rebels of UNITA [National Union for the Total Independence of Angola].

The note published by the Zairian embassy to the People's Republic of Angola states that such a declaration is a diversionary tactic benefiting the real enemies of the People's Republic of Angola and of Africa.

The note adds that the real objective is to concentrate the attention of international public opinion on the Angolan provinces bordering Zaire so that South Africa can continue to furnish military supplies to the UNITA rebels operating in the Angolan provinces of the south and center.

The communique states that the agreements concluded by the UNITA rebel movement with certain countries in no way involve the Republic of Zaire. The communique concludes by reaffirming Zaire's unshakable solidarity with its Angolan neighbors struggling to preserve their territorial integrity and national sovereignty.

8782  
CSO: 3419/260

ZAIRE

RELATIONS WITH BELGIUM UNDER REVIEW

Kinshasa ELIMA in French 6 May 86 p 6

[Article by AZAP: "Zaire and Belgium at the Crossroads"]

[Text] Things are definitely stirring between Zaire and Belgium, and they have been moving in a good direction since the recent visit to Kinshasa of Mr Leo Tindemans, the Belgian Foreign Affairs minister.

Zaire's ambassador to Belgium, Citizen Ekila Liyonda, accompanied Mr. Tindemans, as prescribed by diplomatic protocol. Some observers noted that Ambadress Ekila remained in Kinshasa for a few days after the Belgian delegation's departure and that she used her stay to review the future of Belgian-Zairian relations with the highest levels of government. It was no doubt for this purpose that Citizen Ekila was seen on board the presidential yacht M/S Kamanyola, which was anchored in the Zaire river at N'Sele, the historic city of the People's Movement of the Revolution [MPR].

It was later learned that Ambadress Ekila had a more than 4-hour conversation with the MPR founder-president.

Upon her return to Brussels, Citizen Ekila wrote a lengthy report based on information received in Zaire and her own observations in Belgium. The report reached Marshal Mobutu on Friday 2 May 1986. Sources that are close to the president and have access to this kind of document are pleased to note that Citizen Ekila called upon her legal and diplomatic training as well as her womanly wiles.

Her report, it is said, was impressive in its objectivity, frankness, and clear analysis of the present and desired state of relations between Belgium and Zaire. Ambadress Ekila enumerated a number of deeds and gestures indicating that Belgium is definitely determined to turn over a new leaf in respecting the dignity and sovereignty of its former colony.

Citizen Ekila suggests that Zaire adopt an appropriate attitude that would show willingness to respond to Belgium's gestures of good will. It has been learned that Ambadress Ekila also suggests, among other things, that Zaire change its position on the issue of the DC-8 Air Zaire cargo plane that has been detained at Ostende. It is, in her words, a grain of sand that might yet foul the mechanism of Belgian-Zairian relations.

Sources close to the head of state indicate that on Friday, Marshal Mobutu Sese Seko held a lengthy conversation with the first commissioner of Kengo wa Dondo state before personally presiding over the first ministerial meeting of the month as required by Zairian political protocol. They are said to have discussed the subject of the report. The cabinet has not yet taken up the matter, and the MPR Founder-President's reaction to Ambassador Ekila's proposal on the DC-8 cargo plane issue will not be known for several days, as it is known that the head of state hates to make hasty decisions.

AGENCE ZAIRE-PRESSE and a few other circles privy to information on this issue wonder what President Mobutu's answer will be. It is hard to make predictions because President Mobutu's dual role must be taken into consideration.

If he reacts as a military man, it may be confidently predicted that his answer will be a flat No. If he answers as the Zairian official charged by article 36 of the Zairian constitution with the grave responsibility of conducting Zaire's domestic and foreign policy, his answer may be influenced by various, unforeseen considerations. As the saying goes, "If a woman wants it, God wants it." Does the saying hold in this case?

Optimists may not be saying flatly that it does, but they remember how admirably Citizen Ekila helped get things back on track when Minister Tindeman's trip to Zaire was almost jeopardized at the last minute.

Further developments will bear watching.

8782

CSO: 3419/260

ZAIRE

REPORTAGE ON VISIT OF BELGIAN ECONOMIC OFFICIAL

Arrives 25 May

AB251805 Kinshasa AZAP in French 1330 GMT 25 May 86

[Text] Kinshasa, 25 May (AZAP)--Guillot Pingue, director general at the General Directorate of External Economic Relations at Belgium's Foreign Affairs Ministry, arrived in Kinshasa on Sunday morning for a 5-day official visit on an invitation from the office of the first state commissioner.

Upon his arrival Mr Pingue declared that he would examine with the country's authorities the organization of the Belgium-Zaire Joint Commission meeting to take place in July, as well as his country's contribution to Zaire's economic recovery.

In this regard, Mr Pingue indicated that he and the Zairian authorities would examine the possibilities of granting state loans to Zaire and the various modes of financing. This meeting will also enable the two parties to discuss assistance to be given to small- and medium-size enterprises in Zaire, and on the possibilities of low-interest and short-term financing.

Received by Secretary of State

AB281013 Kinshasa AZAP in French 1900 GMT 27 May 86

[Text] Kinshasa, 27 May (AZAP)--Mr Guillaume Pingue, director general of external economic relations at the Belgian Ministry of External Relations who has been on a 1-week official mission to Zaire since 24 May, was received in Audience on Tuesday by Citizen Kabala Kisekaseka, secretary of state for foreign affairs, with whom he discussed the situation of the preparations for the meeting of the Belgian-Zairian Joint Commission to be held next July in Brussels. Mr Pingue stated that his visit to Zaire, which follows that of Belgian External Relations Minister Tindemans last April, is aimed at preparing together with the Zairian authorities all the economic and financial documents to be discussed at the Brussels meeting.

He stressed the importance of the forthcoming meeting of the Belgian-Zairian Joint Commission whose outcome will enable Belgium to mobilize the necessary resources for its participation in Zaire's 5-year development plan. Mr Pingue affirmed that his country believes in the success of this plan and has promised to secure the support of Zaire's other Western partners.

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CSO: 3400/1884

ZAMBIA

KAUNDA SPEAKS ON NATION'S FUTURE, WILLINGNESS TO STEP DOWN

Lusaka TIMES OF ZAMBIA in English 19 May 86 p 1

[Text]

PRESIDENT Kaunda yesterday reiterated his readiness to step down should the people of Zambia ask him to do so because he is not indispensable.

He said the achievements which Zambia had made so far had been through collective efforts and that God alone would choose his successor.

Speaking in an interview with Ms Monique Mas of Radio France International at State House, the President said:

"I am not indispensable. All the achievements have been done through collective efforts and when time comes when Zambians will ask me to step down I will willingly do so. Even in the event of my death, God will still choose the successor."

On the economic front, Dr Kaunda admitted that a cardinal mistake was committed when the Government subsidised consumption for a long time, thereby delaying the diversification programme.

He said the situation worsened with the falling copper prices and rises in fuel costs, but he was still optimistic about Zambia's bright future.

"The future of Zambia is bright despite the harsh economic period we are going through. The period is giving us good lessons which we are taking seriously and we are going to pass through it because we are a united nation," President Kaunda said.

He defended the auctioning of foreign exchange, saying it was clear that once the measures started to work in the end Zambia would have a good beginning.

Asked whether the current high cost of living would bring about political instability, Dr Kaunda said whatever actions taken by the Government were explained to the people first thoroughly.

"The people of Zambia rule themselves. We explain everything we do to them. You don't take God's people for granted. The auction is now our system but in the end we will have made a good start," he said.

The President admitted that Zambia was currently

trading with racist South Africa seriously because the colonialists had tied Zambia to Pretoria which they had made their second home.

But measures were being taken to build industries and develop communications within the Southern African Development Co-ordination Conference (SADCC) and the Preferential Trade Area (PTA) to reduce dependence on Pretoria.

On the French businessmen visiting Zambia, the President appealed to them to invest in Zambia because the potential for business was great.

"It is my hope that when they go back to France, they should be able to tell their friends to come to Zambia. There are opportunities in mines, agriculture and many others for investment and assist us in developing," Dr Kaunda said.

He said the tendency where former colonial masters were only interested in investing in their former colonies should be discouraged.

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CSO: 3400/1876

ZAMBIA

PARTY SECRETARY ZULU WARNS DONORS ON INTERNAL INTERFERENCE

Lusaka ZAMBIA DAILY MAIL in English 23 May 86 p 1

[Text]

PARTY SECRETARY-General Grey Zulu last night warned countries that assisted Zambia financially and materially not to interfere in her political affairs and ideologies.

Interference in Zambia's political affairs would not make her change her position adding "we do accept you as our friends, but you should respect and accept us for what we are."

The Party chief was speaking at Inter-Continental Hotel at a dinner he hosted for visiting Secretary-General of Tanzania's Chama Cha Mapinduzi, Mr Rashid Kawawa.

Mr Zulu said he was aware that detractors would like to see Zambia abandon her socialist line, but if those were among nations which assisted Zambia financially or otherwise in her efforts to resuscitate the economy, "we greatly appreciate your assistance, but please leave the politics to us."

He also deplored the pre-

cedent set by superpowers to attack weak but morally rich nations saying that dangerous development had serious implications for the security of developing countries and stability of the world.

The use of world resources in the creation of weapons was a misapplication of the resources to which all countries contributed in different ways.

This situation, he said, should end given the serious poverty and hunger among the many nations of the world.

Turning to the relationship between Tanzania and Zambia, Mr Zulu told the dinner that the two countries had co-operated in various areas of human endeavour and had established joint economic ventures aimed at enhancing development efforts.

Joint ventures like TAZARA, TAZAMA pipelines had gone a long way in making the two nations come closer economically and become less depe-

ndent on racist South Africa.

Admittedly some of these institutions had faced operational problems like the now defunct Zambia Tanzania Road Services (ZAMTAN).

It was, however, encouraging to note that those that were still operational were far more efficient and were effectively contributing to the development of the two countries, contrary to what detractors say.

On the southern African situation, Mr Zulu said Mr Kawawa's visit to Zambia at a time when the situation in the region had assumed dangerous proportions was important.

The oppressed people of South Africa had intensified their struggle to dismantle apartheid while the Pretoria regime had also intensified its atrocities on not only innocent black men, women and children but raiding neighbouring independent states with impunity.

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CSO: 3400/1879

ZAMBIA

UNREST REPORTED AT UNIVERSITY OF ZAMBIA

Riots at Student Leader Arrest

Lusaka TIMES OF ZAMBIA in English 17 May 86 p 1

[Article by Godfrey Malama]

[Text]

They roughed up the principal Professor Kasuka Mwauluka and later went on an orgy of destruction when they learnt that University of Zambia Students Union (Unzazu) president-general Mr Ben Chilufya had been arrested.

They smashed the principal's official car a Peugeot 504 and set it alight as their anger which had been simmering for weeks exploded.

The enraged students burnt a light green Fiat 131 registration number AAF 5370 — the official car of the acting registrar Mr Wisdom Bowa.

Armed paramilitary and riot police led by Lusaka deputy police chief Mr Brian Mantanyani stood by.

But they moved in when they saw smoke billowing into the sky. Even then police exercised maximum restraint as they did not pursue the retreating students.

The burnt out shell of the Fiat 131 was still smouldering when the Lusaka Urban district council fire engine arrived on the scene, but it was too late to save both cars.

The situation was tense as the students wandered about, shouting abuse at the administration officials and threatening passers-by.

Unza Vice-chancellor Dr Jacob Mwanza escaped unhurt while the Times team had to seek refuge in one of the buildings because of threats from the rampaging students.

Eye-witnesses said trouble was sparked off by the arrest of Mr Chilufya who was being questioned in connection with an abortive meeting which was scheduled to take place at the campus.

The meeting which was banned by UNZA authorities, was supposed to be attended by representatives from all colleges and secondary schools.

A Radio Zambia broadcast on Thursday evening said the administration had cancelled the meeting and advised all those who were to travel to the Lusaka campus to stay home. No details of the planned meeting were immediately available.

After being questioned at the campus by plain-clothes police Mr Chilufya was whisked away to the Lusaka Central police station.

Incensed by the move the students, who recently staged a two-day class boy-

cott demanding the removal of the principal for allegedly neglecting their welfare, became unruly.

The disturbance which began in the morning, continued in the afternoon as armed police kept vigil. At the main entrance and all exits.

A Zambia Air Force helicopter hovered over the campus for some time while traffic police were kept busy, diverting vehicles away from the Great East Road which was sealed off.

During the recent class boycott, Unzazu accused the administration of failing to allocate a vehicle to the dean of students department and an ambulance to the university clinic. They demanded the transfer or removal of Prof Mwauluka.

The walkout was called in spite of assurances from the administration that student grievances would be redressed.

Before the boycott, Dr Mwanza accused some students of fanning trouble to dodge examinations.

They demanded that the administration should buy an ambulance for the clinic and provide a vehicle for the dean's department by May 8. "They also displayed posters insulting the leadership of the Party

and its Government."

The administration met the Unzazu executive on May 7, the day when the administration saw the circular for the first time, to explain that instructions had already been issued to look into their grievances.

The administration also explained that the vehicle for the dean of students was stolen last year under circumstances which were being probed. A replacement would be acquired when the matter was cleared.

"The administration followed up this explanation with a circular to reach the whole student body and to appeal to students not to disrupt the normal academic business of the university. In spite of this explanation, Unzazu still organised a boycott of classes on May 12 and 13."

On the same day Unzazu announced that a conference for student leaders of all secondary schools and institutions of higher learning would be held at the campus.

"No permission had been obtained from the university authorities for the holding of such a conference."

This is the sixth time the university has been closed.

## Students Urged to End Boycott

Lusaka TIMES OF ZAMBIA in English 17 May 86 p 1

### [Text]

THE University of Zambia administration last night appealed to students to end their class boycott and promised to protect those willing to resume normal academic activities.

A statement released through the Minister of National Guidance, Information and Broadcasting Services Mr Milimo Punabantu said the decision to de-register Unzazu president-general Mr Ben Chilufya was based on his non-attendance of classes and non-participation in academic work since March 3, 1986.

"It is in the interest of all concerned that the situation at the Lusaka Campus returns to normal as soon as possible. This can be done by students desisting from behaviour that creates a situation which is not conducive to dialogue."

The administration deplored the action taken by some students to assault the principal, Professor Kasuka Mwauluka and the malicious damage to property.

Actions of that nature could

only be to the detriment of not only the students, but the institution and the country as a whole, the statement said.

Explaining the action taken against Mr Chilufya, the administration said the senate required that any student who absented himself from classes for more than three weeks must be de-registered.

The administration said some students who were among the most vocal had not put much effort in their academic work and were behind schedule. "It is these students who now want to drag the rest of the students into their failures."

Since there were only three weeks before the final examinations, the administration felt that students who wished to continue with their studies and sit for final examinations must be given every opportunity to do so.

Besides protecting those resuming classes, the administration assured that dining facilities disrupted during the disturbances would be

restored.

"Any student or students trying to perpetuate acts of violence should not expect protection from the administration. By the same token, students who wish to return to normal academic activities will be offered protection," said the statement.

And director of the Department of Technical Education and Vocational Training (DTEVT) Mr Richard Lubasi has called on colleges in his department to give the teaching of communication skills the prominence it deserves, reports Zana.

Mr Lubasi said teaching of communication skills under English for special purposes programme should be emphasised in colleges because it was crucial for efficiency in industry.

Mr Lubasi was speaking at College Hotel when he received a report on the evaluation of the English language for special purposes communication skills teachers upgrading programme.

He said communication

skills in industry contributed to efficiency by enabling workers to follow instructions closely and avoid accidents.

The report was compiled by Mr Joseph Mukuni, Mr Ban Kapena and Mr Geoff Tambulukani. Mr Kapena and Mr Tambulukani are senior staff training officers in the department while Mr Mukuni is a lecturer at the National Institute for Public Administration attached to the Technical and Vocational Teachers Training College in Luanshya.

The report funded by the British Council recommended that DTEVT should institute regular English for specific purposes specialist guidance to communication skills teachers.

The report says the majority of teachers in communication skills used either old methodology or texts which were inappropriate to their students.

"The evaluation team feels that this was because teachers had stayed too long without being evaluated."

## Lusaka Campus Closed

Lusaka TIMES OF ZAMBIA in English 19 May 86 p 1

### [Text]

**THE University of Zambia (Unza) main campus in Lusaka has been closed indefinitely and all students ordered to leave the premises with immediate effect.**

Heavily armed paramilitary police and officers from the special division ringed the

campus while others supervised the eviction of the students and made sure all of them left for their various home destinations.

About ten buses were hired from the United Bus Company of Zambia (UBZ) to take the students to their various home provinces.

The students were woken up as early as 04.30 hours by security men who ordered them to pack up their goods and move out of the campus.

They assembled on the university lawns near Goma lake where they went through check out formalities. They were given K30 each for transport regardless of the distance to their destinations.

Some police officers lined up and students were instructed to stand behind each officer, according to their provinces for an orderly departure from the campus. Those in Lusaka Province were dumped at the town centre to find their way home.

The closure is a culmination of troubles at the campus which started a fortnight ago with students accusing the administration of allegedly ignoring their welfare.

They demanded that the administration should provide an ambulance for the university clinic and vehicles for the department of dean of students.

The executive of the University of Zambia Students Union (Unzasu) organised a class boycott for two days to press for the removal of their principal Professor Kasuka Mwafuluka.

Last Friday, Unzasu president-general Mr Ben Chilufya was arrested by police.

This led to an orgy of destruction by the enraged students who burnt the principal's official car and that of the acting registrar Mr Wisdom Bowa.

The students demanded the immediate release of Mr Chilufya.

Unza vice-chancellor Dr Jacob Mwanza warned early on Saturday that the campus could close down if the student rumpus which included a class boycott continued.

The Unzasu executive members said later they would not compromise with any authority and would not resume classes until Mr Chilufya was released. They complained that the administration starved them for two days as it had allegedly ordered cooks to leave the kitchen.

Acting Minister of Higher Education Dr Henry Meebelo confirmed the closure of the university yesterday "because of the bad security situation and to save life and property".

He said because of the escalating violence, university authorities had no option but to close the Great East Road campus.

Dr Meebelo who is Minister for Presidential Affairs regretted that the university had closed down indefinitely. "All students have been ordered to leave the campus with immediate effect."

Giving a sequence of events that led to the move the minister said on May 2, Unzasu issued a statement alleging that the administration was not paying much attention to student welfare.

They demanded that the administration should buy

an ambulance for the clinic and provide a vehicle for the dean's department by May 8. "They also displayed posters insulting the leadership of the Party and its Government."

The administration met the Unzasu executive on May 7, the day when the administration saw the circular for the first time, to explain that instructions had already been issued to look into their grievances.

The administration also explained that the vehicle for the dean of students was stolen last year under circumstances which were being probed. A replacement would be acquired when the matter was cleared.

"The administration followed up this explanation with a circular to reach the whole student body and to appeal to students not to disrupt the normal academic business of the university. In spite of this explanation, Unzasu still organised a boycott of classes on May 12 and 13."

On the same day Unzasu announced that a conference for student leaders of all secondary schools and institutions of higher learning would be held at the campus.

"No permission had been obtained from the university authorities for the holding of such a conference."

This is the sixth time the university has been closed.

## Administration Hopes for Resolution

Lusaka TIMES OF ZAMBIA in English 22 May 86 p 1

[Text]

THE University of Zambia (UNZA) administration is working out measures to have its main Lusaka campus reopened soon to enable students to sit for their examinations.

Vice-chancellor Dr Jacob Mwanza said in Lusaka yesterday that a comprehensive statement would be issued by his office on the reopening of the campus when important details had been ironed out.

"We have, among other things, to rehabilitate some facilities and I have to consult my colleagues on how the reopening will be effected. But this will be done shortly because students have to sit for their examinations," Dr Mwanza said.

The examination programme had stipulated that classes at the campus would end on June 6, while examinations were scheduled for June 23.

The campus was closed last week after troubles which started almost three weeks ago with students accusing the administration of allegedly ignoring their welfare.

This led to an orgy of destruction by the enraged students who burnt principal Professor Kasuka Mwauluka's car and that of the acting registrar Mr Wisdom Bowa.

Yesterday the administration was reported to have been holding talks with the police over the students' demand to release University of Zambia Students Union president-general Mr Ben Chilufya who has appeared in court for allegedly assaulting Prof Mwauluka.

~~On the class boycott~~ by more than 500 students at Ndola campus in Kitwe, Dr Mwanza said the students would issue a circular today.

"We have had successful talks and the students themselves will be issuing a circular to announce the calling off of the class boycott. I don't want to say anything on it myself."

The Copperbelt students were demanding the removal of Prof Mwauluka and the release of Mr Chilufya and his reinstatement at campus before they could resume classes.

Mr Chilufya urged the students to call off the boycott when he addressed them during an open air meeting in Kitwe.

Mr Chilufya who had earlier received a rousing welcome said the class boy-

cott and subsequent closure of Lusaka campus was caused by the administration's poor handling of the dispute.

Ndola campus acting registrar Mr George Chokani said in Kitwe yesterday that the administration would go ahead with final examinations starting on June 9 even if students continued with their class boycott.

Briefing reporters on latest developments at the campus Mr Chokani said "the students have done 80 per cent of class work as required by the senate regulations and have all registered for examinations".

Flanked by Unzando principal Professor Mubanga Kashoki, Mr Chokani said there was "no" boycott because according to the university programme, the last day of classes in the third term for final students was scheduled to end on May 30 — "just a week from today".

"To us there is no boycott. The examiner is waiting for students to write their papers."

/9274

CSO: 3400/1875

ZAMBIA

## KAUNDA PRAISES ARMED FORCES, PRESENTS MEDALS

Lusaka TIMES OF ZAMBIA in English 26 May 86 p 1

[Text]

PRESIDENT Kaunda yesterday ordered the public to stop demoralising the defence force by making unfounded complaints against soldiers.

He said the defence force was the backbone of peace and security in any nation and needed every encouragement to execute its task.

Sneaking at Lusaka's Arakan Barracks when he awarded medals to 80 army and airforce officers who have rendered distinguished service, Dr Kaunda said it was high time false accusations against soldiers came to an end.

"I appeal to these dear brothers and sisters that as a nation, we must not demoralise the very people who protect us. We must show appreciation to the officers and all fighters who have to spend sleepless nights, often away from the comfort of their homes and families to protect our hard won Independence and freedom which all Zambians as well as non-Zambians are now enjoying."

Without elaborating on the nature of allegations, the President said some members of the public had blamed the defence force for "some unfortunate happenings in the nation."

Some complaints had been aired on popular radio programmes like "kabusha" and when authorities checked to verify the reports, it was discovered that the complaints were actually unfounded.

The public should only complain when they had genuine grievances. "Genuine complaints are most welcome. But complaints based on half truths or down-right lies, are certainly not welcome."

The President reminded the officers that theirs was a difficult and at times "even a thankless task."

Zambian soldiers should remain vigilant in view of the threat posed by apartheid South Africa which was also illegally occupying Namibia.

"We must continue to support them (oppressed people) in the struggle to free themselves. We must do this despite the attacks from South Africa."

But he explained that Zambian soldiers would not march to Pretoria, nor would Zambia declare war on South Africa. The country would stand ready to defend itself from Pretoria's aggression.

Although South Africa was a strong and ruthless enemy, she could not force Zambia to abandon her support for the African National Congress and the South-West Africa People's Organisation (SWAPO).

Comparing South Africa's military might to Zambia's, the President said: "History tells us that David, a small and frail man, defeated Goliath who

was a very big and confident man."

He was optimistic that Zambia could achieve a similar feat if the nation was united and disciplined.

Zambia was proud of her citizens who had died during the liberation wars and he congratulated the defence force for its contribution in the fight for freedom.

Among recipients of the medals were three former commanders of the then combined Zambia National Defence Force — General Kingsley Chinkuli, now Minister of Agriculture and Water Development, Lieutenant-General Peter Zuze, now High Commissioner to Britain, and Lt Gen Benjamin Mibenge, now ambassador to Ethiopia.

Others were Defence Minister Gen Malimba Masheke, army commander Lt Gen Christon Tembo, Namboard general manager Major-General Charles Nyirenda, airforce commander Major-General Hannaniah Lungu, Major-General Garry Kalenge, Minister of State for Power, Transport and Communication Brigadier-General Enos Haimbe, Brig-Gen Martin Simbule, Zambia National Service commandant Brig-Gen Thom Fara and many others.

It was the first military investiture ceremony. Some officers who are not based in Lusaka would receive their medals through provincial members of the Central Committee, Dr Kaunda said.

ZAMBIA

# AIR FORCE TO AIRLIFT MAIZE TO DROUGHT STRICKEN AREAS

Lusaka ZAMBIA DAILY MAIL in English 16 May 86 p 5

[Text]

ZAMBIA Air Force (ZAF) is to start airlifting the 2,000 bags of maize that had been marooned at Lundazi Boma for almost a year now to famine-stricken areas of Chitungulu, Mwanza and Kazembe.

The food, donated by the World Food Organisation, could not be transported by road to the affected areas because of impassable roads caused by heavy rains that swept across the district this year.

Lundazi district social secretary, Mr. Moses Simumba said that the national contingency and planning committee had asked ZAF to airlift the food to the areas and said the exercise will take 14 days.

Mr Simumba said this

would be a great relief to the people in the affected areas. He also said the poor state of roads in the area had caused shortages of drugs in clinics there. The area had been cut off from the rest of the district as the heavy rains washed away bridges and dams.

To lessen the burden on the government to be airlifting food to the valley areas, the Food and Agriculture Organisation (FAO) is now trying to encourage the Party and its Government to build small storage sheds in those areas to stockpile food.

Meanwhile, Monze District Council needs K90,000 to grade all roads leading to production centres in readiness for maize haulage programme.

/9274

CSO: 3400/1876

ZAMBIA

# CHINGOLA AGRICULTURAL OUTPUT EXPECTED TO DOUBLE

Lusaka TIMES OF ZAMBIA in English 19 May 86 p 5

[Text]

COMMERCIAL and peasant farmers in Chingola are expected to double production of cash crops this season from last year's levels, area governor Mr Josiah Kanyuka has said.

Opening this year's district agricultural show at Gymkhana grounds, Mr Kanyuka expressed delight that the copper mining district was slowly shifting emphasis to agriculture and that it had already carved up a reputation of being one of the best agricultural areas on the Copperbelt.

Mr Kanyuka said estimated production figures for 1985/86 season output of maize, sunflower, cotton, soya beans and groundnuts were expected to double.

He expressed satisfaction at the impressive quality of farm produce displayed at the show and described it as a sign of commitment among commercial and peasant farmers

to agricultural development.

Meanwhile, activities at the show were disrupted soon after opening after vandals set fire to the grass fence around the showgrounds.

But the fire was put off by showgoers.

● An agronomist with the Food and Agriculture Organisation (FAO) in Chipata Mr Benoit de Fooz has urged people in the Eastern Province to take up fish farming.

Mr de Fooz said in an interview that Eastern Province had the potential for fish farming because of its abundant rivers, dambos, deltas, lagoons and ponds.

Mr de Fooz seconded to the fisheries department in Chipata and who established the Chipata fisheries farm three years ago said the farm last year raised K25,000 from fish sales.

The money was used to offset running costs of the farm and other developments.

/9274

CSO: 3400/1877

27 June 1986

## ZAMBIA

## KAUNDA ON INABILITY TO REPAY GDR DEBT

Lusaka ZAMBIA DAILY MAIL in English 23 May 86 p 7

[Text]

EAST BERLIN. — Zambia is unable to repay debts to the German Democratic Republic at present, President Kaunda was on Wednesday quoted as saying.

Dr Kaunda, speaking in an interview published in the GDR newspaper *Berliner Zeitung*, appealed for further economic support, and said he had asked East Berlin for particular help in profit-sharing joint agricultural projects.

"Our problem — and I am very sorry to say this — is our present inability to pay back what we owe to our GDR colleagues and comrades. But we will find a new way out of this situation," he said.

Dr Kaunda's comments were a rare published reference here to debts owed to GDR by African countries including Ethiopia, Angola and Mozambique, for development projects launched in the 1970s.

The President named a jointly developed farm project — the airport farm near Lusaka — as an exemplary scheme. "One of our ideas is to let these farms work as GDR-Zambian joint enterprises and pay the GDR back out of the profits," he said.

/9274

CSO: 3400/1879

ZAMBIA

FRENCH TRADE DELEGATION ARRIVES FOR TALKS

Lusaka TIMES OF ZAMBIA in English 16 May 86 p 7

[Text]

ZAMBIA and France have called for an end to divisions by Anglophone and Francophone countries in the area of development.

Prime Minister Kebby Musokotwane and Mr Bernard de Gaulle, son of former French president Charles de Gaulle, made the call in Lusaka yesterday when a ten-man French trade delegation held talks with the Government at Cabinet office.

Mr Musokotwane welcomed the delegation's visit as it meant breaking barriers between the two worlds.

He said languages must not divide Africa between the Anglophone and the Francophone countries but should unite them instead. "Let the languages be tools of communication between us and not of division," he

said.

He said business was business no matter where it was carried out, be it in France or Britain.

The prime minister told Mr de Gaulle that the recent decision by the Government to formulate an investment code meant that French firms wishing to invest in Zambia would be welcome.

Mr de Gaulle agreed with Mr Musokotwane and criticised countries which discriminated against those who did not belong to their sphere of political or economic influence.

He praised Zambia's ambassador to France Dr Henry Matipa whose influence among the French business community made it possible for the delegation to come to Lusaka.

/9274

CSO: 3400/1877

ZAMBIA

DANISH GOVERNMENT PLEDGES AID FOR ROAD REPAIRS

Lusaka TIMES OF ZAMBIA in English 21 May 86 p 1

[Text]

THE Danish government is to mobilise between \$40 and \$50 million for road maintenance in Zambia, its ambassador to Zambia Mr Thomas Schjerbeck said in Lusaka yesterday.

He said his government would approach the World Bank and other donor agencies to provide the money. Feasibility studies had already been conducted on the project expected to take about four years.

Speaking in an interview, Mr Schjerbeck said studies had been completed and a report compiled. The report was a prerequisite to the project as it would help to convince donor agencies on the necessity of road maintenance in Zambia, he said.

All local major roads would be covered under the programme. These are Lusaka-Livingstone road, Lusaka-Chipata road, Lusaka-Chingola road and Kapiri Mposhi-Nakonde road. "Some of these roads like the Lusaka-Livingstone road are almost impassable

because of potholes," he said.

Mr Schjerbeck disclosed that his government had given 30 million kronas (about \$3.5 million) for this programme which included feasibility studies of which about \$2.2 million had been used on the initial work of the project.

"Every kilometre has been specified according to its need and condition. What is required is to dig into the sub-surface of the roads. It's a very heavy construction task."

Asked how much Zambia was contributing towards the project, Mr Schjerbeck said his government had decided to help out because Zambia was going through economic problems.

"This is a big question because the Zambian Government does not have funds. They have problems," he said.

Last March, Minister of Works and Supply Mr Haswell Mwale told Parliament that the Government needed K2 billion to repair all roads in the country.

/9274

CSO: 3400/1876

ZIMBABWE

VICTIMS OF RSA RAID MAY SUE

Harare THE HERALD in English 23 May 86 p 1

[Article by Max Chivasa]

[Text]

**OWNERS** of property in Harare destroyed or damaged by South African raiders on Monday morning can sue that government in the High Court of Zimbabwe, a University of Zimbabwe law lecturer said in Harare yesterday.

And the lecturer, Cde Shadreck Gutto, said if the judgment went against South Africa and it did not pay, then the court could attach or order property of the regime in Zimbabwe to be sold to meet any award made by the court.

Businessmen in Ottawa House, damaged during the raids, have estimated the destruction and damage to goods and equipment at about \$40 000.

Cde Gutto told The Herald that the property owners could institute legal proceedings in the courts and have their necessary papers issued against the South African regime for the acts of aggression by its forces.

The papers could be served through the Ministry of Foreign Affairs so the South African government could be called upon to appear in court to answer the suit.

"We have a question where there is a deliberate destruction of property by government forces or

agents of the racist regime in South Africa and have committed these acts in a foreign country.

"The basic legal question is: What is the liability of the South African regime? The racist government has a responsibility not to commit acts which are illegal in the laws of other countries," he said.

Cde Gutto explained that in terms of international law the South African regime was held responsible for violating the laws of Zimbabwe.

"So, if a judgment is reached in favour of those whose property was damaged or destroyed, the South African government will be held responsible for the costs. If it refuses to abide by the ruling, the question of attaching the property of the regime is brought in."

South Africa and Zimbabwe still had business interests in both countries which could not be overlooked as well. South Africa had knowledge of the legal norms of co-existence with its neighbours.

Cde Gutto said the only situation where one could not claim compensation was during a war between two countries and there was no state of war between Zimbabwe and South Africa.

Zimbabwe could take legal action on behalf of the victims but in that case it would be a state versus state case. "That can also be done when the Government can be seen to take action," he added.

The Pretoria regime has admitted responsibility for the unprovoked attacks by its troops and air force on Harare, Lusaka and Gaborone.

Although Nicaragua had accused the United States at the World Court in The Hague of violating the United Nations Charter by using rebel forces to fight the Sandinistas as an instrument of US foreign policy, Cde Gutto said South Africa's and Zimbabwe's situations were different.

South Africa owns two properties in Zimbabwe, one in Bulawayo and one in Highlands, Harare. The trade mission also has other property such as cars and office equipment.

/9274  
CSO: 3400/1719

27 June 1986

ZIMBABWE

## MUGABE ANNOUNCES PLANS FOR STATE TRADING CORPORATION

Harare THE SUNDAY MAIL in English 18 May 86 p 2

[Text]

**MUTARE.**

**PLANS** to establish a State Trading Corporation for the achievement of State participation in the commercial field are now well advanced, the Prime Minister, Cde Mugabe, has said.

Addressing the 1986 Zimbabwe National Chamber of Commerce annual meeting at the Queens Hall in Mutare last week, Cde Mugabe said the corporation would be empowered to undertake both export and import transactions and will be involved in the procurement of goods and commodities from both local and overseas suppliers, and their subsequent distribution on the local market.

It will also be particularly concerned with bilateral trading arrangements with other countries which operate through

similar state trading organisations.

Cde Mugabe was addressing the ZNCC for the first time since the formation of the organisation.

"In the import field, the state trading corporation will concern itself with the importation of commodities where competitive and economic prices are possible through bulk procurement and shipping. It will also be concerned with importation of commodities in short supply which are essential to the economy, especially those which constitute necessary inputs to the production process," he said.

Cde Mugabe said it was vital that the women took part fully in community development projects around the country alongside their menfolk because without their participation, Zimbabwe could not make headway as a nation.

He reiterated that the Government did not consider profit as a dirty word. Time and time again, the Government has pointed out that it does not consider profit

to be a dirty word. We recognise the necessity of producing a surplus to be used for re-investment and for the remuneration of the investor, he said.

The Prime Minister said the Government was disappointed by the conduct of some importers who engaged in unethical and illegal business practices by selling import licences to other importers or reverting to other irregular and dishonest practices.

He called for greater co-operation between the private and the public sectors, saying that this would help realise the quest for a better Zimbabwe. He called upon the ZNCC to assist in the fulfilment of the targets and objectives of the recently published 5-year National Development Plan.

On agriculture, he said there was still much to be done. "We have not yet exhausted ourselves in Agriculture. There are fields we have not yet ventured into," Cde Mugabe said.

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CSO: 3400/1719

ZIMBABWE

FACTORS IN DOMESTIC INCOME ANALYZED

Harare THE FINANCIAL GAZETTE in English 16 May 86 p 21

[Text]

THIS week we look at gross national income. Table I shows the relative contribution of labour and capital to the national economy. The total of \$5 081m reflects the gross domestic income at fac-

The aggregate figures given in Table II tend to obscure the underlying reality. In order to fully understand the national income figures we need to break down the total 'wages and salaries' figures, and the

| Table I<br>1983 National Income Figures   |           |            |
|-------------------------------------------|-----------|------------|
|                                           | Value \$m | %age of NI |
| Wages and Salaries                        | 3 015     | 59.3       |
| Gross operating profits                   | 1 995     | 39.3       |
| Rent                                      | 71        | 1.4        |
| Gross Domestic Income (at factor prices): | 5 081     | 100        |

tor cost.

Indirect taxes and subsidies have not yet been taken into account and net investment income paid abroad had not yet been subtracted.

Table I showed that labour contributed 59% of the national income, capital (profits) contributed 39% and rent 1% in 1983. Table II shows that labour has increased its share of national income from 50% in 1974 to a peak of 61.5% in 1978 and back to its current level of 59.3% in 1983.

As is to be expected, the years in which labour's contribution is at its peak (1977 and 1978) are the years in which the contribution of capital is at its lowest. The years 1977 and 1978 represented the climax of the war and in such periods capital is usually on the retreat.

total 'profit' figures into their respective components.

Table III gives an ideal of the growth and changes in the standard of living (at money and real values)

in Zimbabwe. The calculation of per capita income being based on GNI divided by the total population suffers from overgeneralisation.

A large proportion of the communal sector income would not have been included in the national income as the peasant farmer con-

| Table III<br>Gross National Income; Money, Real and per capita values |                             |                     |                  |                    |                |
|-----------------------------------------------------------------------|-----------------------------|---------------------|------------------|--------------------|----------------|
| Real Figures                                                          |                             |                     | Deflated Figures |                    |                |
| Year                                                                  | GNI at current prices (\$m) | Total Pop. ('000's) | Per capita GNI   | GNI at 1980 prices | Per capita GNI |
| 1974                                                                  | 1 821                       | 6 180               | 295              | 2 928              | 474            |
| 1975                                                                  | 1 953                       | 6 390               | 306              | 2 915              | 456            |
| 1976                                                                  | 2 108                       | 6 600               | 319              | 2 936              | 445            |
| 1977                                                                  | 2 151                       | 6 810               | 316              | 2 804              | 412            |
| 1978                                                                  | 2 230                       | 7 020               | 318              | 2 733              | 389            |
| 1979                                                                  | 2 658                       | 7 240               | 367              | 2 931              | 405            |
| 1980                                                                  | 3 396                       | 7 480               | 454              | 3 396              | 454            |
| 1981                                                                  | 4 318                       | 7 730               | 559              | 3 801              | 492            |
| 1982                                                                  | 4 957                       | 7 985*              | 621              | 3 716              | 465            |
| 1983                                                                  | 5 742                       | 8 249*              | 696              | 3 763              | 456            |

\* 1982 and 1983 population figures have been estimated based on a 3.3% pa growth rate on 1981 figures.

sumes a large proportion of what he/she produces). This would tend to understate the GNI.

Further more, the GNI is divided into the total population including the peasant sector. We can conclude therefore that the per capita GNI of \$696 is significantly understated.

In order to arrive at a more correct estimate of per capita NI we can divide the work force into the total of wages and salaries earned in that year. This will then give us an average earning per worker (see Table IV).

Table IV shows a very different picture to Table III. The per capita GNI in 1983 (from Table III) is less than a quarter of the size of the average earnings per worker of \$2 919 pa shown in Table IV.

The one major problem which still remains is the buying power of the money earned. In order to assess whether or not standards of living have increased we need to deflate the NI figures and express them at constant prices. The last two columns of Table III show the GNI

at constant (1980) prices. The deflated figures enable us to determine real (as opposed to money) growth.

The fastest period of growth (since 1974) was the 1979-81 period. This was largely as a result of the good agricultural harvests in that period. The 1981-1983 period, by contrast, experienced very little if any real growth, with per capita real earnings dropping by \$36.

Table IV shows similar trends for real wages and salaries. The per capita figures bring out the effects of the rate of population growth on national income statistics. Table III shows that per capita real GNI was higher in 1974 than it was in 1983.

If we accept this as an effective measure of the standard of living, it means that on average we are poorer today than we were in 1974. If, on the other hand, we use 'average real earnings per worker' (Table IV) as our standard, then we find that real earnings in the wage economy have been increasing steadily since 1974 until 1982, after which living standards dropped.

We must however, bear in mind that Table IV refers only to the salaried workers, ie approximately one-seventh of the total population. Inasmuch as the salaried workers are subsidising not only their own families but relatives in the communal areas as well, Table III may well be a more realistic standard of measurement.

#### Profits

The contribution of the private sector to profits over the last 10 years was 94%, compared with 6% by the government (public sector).

In the private sector, non-financial companies earned the clear majority, followed in second place by incorporated enterprises and finally by financial institutions.

Government's contribution to gross operating profit has vacillated between 10% in 1974 and 2% in 1982. Overall it can be said that government contributes relatively little to total profits earned.

Next week we will discuss gross national expenditure.

TABLE II  
Composition of National Income

| Item                   | 1974  | 1975  | 1976  | 1977  | 1978  | 1979  | 1980  | 1981  | 1982  | 1983  |
|------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Wage & Salaries        | 50.0  | 55.2  | 55.9  | 60.3  | 61.5  | 58.8  | 59.0  | 57.3  | 60.2  | 59.3  |
| Rent                   | 3.4   | 3.2   | 3.1   | 3.3   | 2.9   | 2.4   | 1.9   | 1.7   | 1.5   | 1.4   |
| Gross operating profit | 46.2  | 41.6  | 40.9  | 36.4  | 35.6  | 38.7  | 39.2  | 41.0  | 38.3  | 39.3  |
| Gross domestic income  | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Table IV  
Real and money average earnings per worker

| Year | Real Figures                      |                    |                            | Deflated Figures           |                         |
|------|-----------------------------------|--------------------|----------------------------|----------------------------|-------------------------|
|      | Total of wages wages & sal. (\$m) | Work Force (000's) | Ave earnings per worker pa | Wages & sal 1980 p's (\$m) | Per capita av. earnings |
| 1974 | 904                               | 1 040              | 869                        | 1 453                      | 1 397                   |
| 1975 | 1 050                             | 1 050              | 1 000                      | 1 567                      | 1 493                   |
| 1976 | 1 154                             | 1 033              | 1 117                      | 1 607                      | 1 556                   |
| 1977 | 1 248                             | 1 012              | 1 233                      | 1 627                      | 1 608                   |
| 1978 | 1 332                             | 986                | 1 351                      | 1 632                      | 1 656                   |
| 1979 | 1 494                             | 984                | 1 518                      | 1 647                      | 1 674                   |
| 1980 | 1 902                             | 1 010              | 1 883                      | 1 902                      | 1 883                   |
| 1981 | 2 319                             | 1 038              | 2 234                      | 2 041                      | 1 967                   |
| 1982 | 2 774                             | 1 046              | 2 652                      | 2 079                      | 1 988                   |
| 1983 | 3 015                             | 1 033              | 2 919                      | 1 976                      | 1 913                   |

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CSO: 3400/1719

ZIMBABWE

## BEEF PRODUCERS DISAPPOINTED IN PRICE INCREASE

Harare THE FINANCIAL GAZETTE in English 16 May 86 p 12

[Text]

HOPES of restoring long-term stability to the Beef market by putting the Cold Storage Commission on a more competitive footing with an increase of 30% in the official beef price, were dashed when the Minister of Agriculture, Mr Moven Mahachi, said producers would be getting an average rise of only 15%.

The industry had hoped for an 30% increase primarily to ensure that stock owners sold their cattle to the CSC rather than on the more competitive open market which thrived for several months late last year and early this year during the beef shortage.

As beef producers missed out on last year's round of price increases they felt justified in expecting a "double increase".

This, they felt, would help offset the damage done by the protracted drought, provide them with a long-

term incentive to rebuild their drought-depleted herds and ensure increased production for export to the EEC.

The suggestion was that exports to Europe could have partly subsidised the increase, and that retail price rises of as much as 20% could have dealt with the rest.

The CSC, whose survival producers say is necessary to the stability of their industry, is said to have been on the way to making ends meet for the first time in years when the beef shortage hit late last year and diverted many of the available slaughter cattle to private abattoirs and the mushrooming illegal bush abattoirs.

### CONFIDENT

Commercial farming sources say the Cold Storage Commission would have been happy with a 30% increase and was confident that the number of head on offer would have risen appreciably if this price rise had been awarded. It is understood

that commission officials have become resigned to yet more cattle being offered to private abattoirs.

One rancher told *Farming Gazette*: "There is an across the board flat payment charged by the private people, but even with this penalty we get better prices than those offered by the commission."

It is possible that a new scheme proposed by the CSC to boost beef sales will have to be delayed for a long time because of the lower than expected price increase. It proposes to sell pre-packed meat in stores throughout the country, mainly in high density suburbs, which will carry a uniform price of about \$5. The refrigerators would be rented out or bought outright by shop owners.

The disappointing rise means there will probably not be enough meat available for the scheme to work effectively.

Another worry for the commission is the future of the lucrative export markets, particularly the European Economic Community. This has a quota of slightly more than 8 000 tonnes a year and it is possible the country will not be able to fulfill it. If this does happen, then the next time quotas are negotiated Zimbabwe's could well be reduced.

Beef producers are going as far as to suggest that some of the CSC abattoirs might even have to be closed temporarily because there will be so little on offer. The CSC is keeping quiet on this.

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CSO: 3400/1719

ZIMBABWE

## MINISTER DISCUSSES MINERALS, METALS INDUSTRY PROSPECTS

Harare THE HERALD in English 23 May 86 p 1

[Text]

THE uncertain world market facing minerals and metals emphasises the urgency and importance of establishing tertiary industries to make better use of them within the country, the Minister of Mines, Cde Richard Hove, said yesterday.

Opening the 47th annual meeting of the Chamber of Mines in Harare Cde Hove said that Zimbabwe's dependence on world mineral and metal market conditions left it in a "somewhat precarious condition".

"The recent collapse of the tin market, which has drastically affected the operations of Kamativi, the threats to our lithium, growing metal and mineral trade protectionism in the United States, the European Economic Community and the anti-asbestos campaign are very good examples."

As a result, the recently released Five-Year Development Plan emphasised the need for both the promotion of new industries and the expansion of existing

mining operations.

The output and investment targets set by the plan indicated the need for a "significant" re-orientation by the mining industry, and he believed "we could develop even further in the tertiary sector to produce refractory products wider and more specialised alloys, nickel and copper products, coal products, tin products and so forth."

Although the value of all minerals produced totalled a record \$629,65 million last year, or 15

percent higher than in 1984, there was now a world oversupply of most minerals and metals produced in Zimbabwe, and it appeared there would be a gradual decline in prices this year, possibly picking up again next year.

Dealing with the constraints placed on the industry by the shortage of foreign exchange, he assured delegates his ministry was doing all it could to ensure that the mining sector received its fair

share.

But greater use would probably have to be made of barter deals to procure spares and machinery and he urged miners to overcome their "consumer resistance" to new sources of supply, suggesting that they could even launch trade missions to investigate new sources.

In a bid to streamline the mining industry and ensure that it met national objectives, Cde Hove said his ministry was preparing amendments to the Mines and Minerals Act, which would be presented to Parliament shortly.

Cde Hove stressed the willingness of the Government to support the industry, and called on the delegates to be as open and candid with the Government as it was with them.

"I sometimes find that miners are far too conservative. I don't know why they want to keep a low profile, but I get the impression that they are not transparent enough and have a suspicion that when the Government calls for information, it is spying on them," he said.

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CSO: 3400/1719

ZIMBABWE

## NEED FOR ANOTHER GOLD ORE PLANT UNDER DISCUSSION

Harare THE HERALD in English 23 May 86 p 1

[Text]

THE Kwekwe roasting plant for refractory gold ore is being expanded, but a major question mark hangs over whether Zimbabwe has enough ore reserves to warrant further expansion.

This was one of the major points to emerge from debate on three motions on problems facing the mining industry at yesterday's Chamber of Mines annual general meeting in Harare.

Delegates said that the two roasters at the plant were unable to meet output by the mines. Although the decision by the Government to construct a third roaster was welcome, the two old roasters needed rehabilitation and this, together with pollution control problems, made it unlikely that all roasters would be in operation at the same time, resulting in further stockpiles of concentrate.

The days of rich, easily extractable ores were a thing of the past and the future of the gold

mining industry lay in exploiting the remaining low grade ore.

The delegates stressed that producers would not increase production unless concentrates delivered to the plant could be quickly treated, and there had already been a steady reduction in the production of ores.

The Minister of Mines, Cde Richard Hove, said he was aware of the concern of the mining industry on this issue. Tenders had already been sent to Britain for electrostatic precipitators for the new roaster at Kwekwe and he hoped that it would be commissioned before the end of the year.

But this would only be a short-term solution to the problem, and he asked whether Zimbabwe had enough ore reserves to justify the building of another plant. The ministry was collecting data on this issue, but he suggested that large producers should examine the possibility of building a roaster in co-operation with the Government.

The second motion dealt with rapidly increas-

ing operating costs in the industry, which were forcing gold miners to mine higher grade ores to remain viable. This was not only wasteful but would shorten the life of mines.

The third and last motion dealt with the shortage of foreign exchange.

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CSO: 3400/1719

ZIMBABWE

## DEMAND FOR BAUXITE FROM MOZAMBIQUE MINE DECLINES

Harare THE FINANCIAL GAZETTE in English 16 May 86 p 2

[Text]

FUTURE bauxite mining operations in Mozambique by the E C Meikle company, the only bauxite-supply company in Zimbabwe, are in serious doubt, following a reduction in demand by Zimbabwe Phosphate Industries (Zimphos) and a failure in securing export markets.

Zimphos has reduced its bauxite requirements from 6 500 tons annually to 4 500 tons, following the change, in December 1985, of the bauxite source from E C Meikle's other mine in Penhalonga, to the mine in Mozambique. Zimphos uses bauxite for the manufacture of aluminium sulphate, which is used for water purification.

The director of E C Meikle, Mr John Meikle, this week told the *Gazette*: "The grade produced (from Mozambique) has been excellent. It has been 56% compared to 42% previously mined in Zimbabwe.

"However, Zimphos' annual requirements are at the reduced level of 4 500 tons compared with a previous usage of 6 500 tons. This is having a serious influence on the viability of the mine. Export mar-

kets are being pursued at present with no success so far. However, Mozambique requires aluminium sulphate on a barter deal and this is being looked into.

"Unless an expanded market is found or a significant price increase is granted, the future of the mine is in doubt," he said.

### ALTERNATIVE

The only alternative source of bauxite for Zimbabwe would be from Australia at a much greater cost to the country in foreign currency, he said. The Mozambique mine has a production capacity of 8 000 to 9 000 tons.

Meanwhile, the managing director of Zimphos, Mr Eden Makonese, told the *Gazette* that the company was producing sufficient aluminium sulphate for the country's requirements, and was, in fact,

looking for export markets. Since the Mozambican bauxite had a higher aluminium oxide content (56%) than the Zimbabwean bauxite (45%), Zimphos thus required a 20% less tonnage, he said.

Another reason suggested for the reduced requirements was that since the end of water-rationing, the country's water consumption had not increased dramatically, as had been expected.

Mr Makonese said there was "no significant growth" in the aluminium sulphate market between 1984 and 1985, with the demand actually having gone up by 200 tons, or 2%. Last year the company's used 5 400 tons of bauxite, and this year the company will require only 4 800, he said.

Bauxite mining operations in Mozambique were started last year when the Penhalonga ore deposits were almost completely exhausted.

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CSO: 3400/1719

ZIMBABWE

EXPANDED OUTPUT OF QUALITY TOBACCO URGED

Harare THE HERALD in English 18 May 86 p 5

[Text]

ZIMBABWE should increase its tobacco production to meet the growing world demand for its quality product, the outgoing president of the Tobacco Trade Association, Mr Dennis Morris, has urged.

Speaking at the association's 38th annual meeting in Harare last week, Mr Morris said that although the current crop was down on the target of 135 million kg, it was proving very acceptable in quality and styles.

Zimbabwe is the world's third largest tobacco exporter and exports to 65 countries.

Reviewing the last year, he said the trade had faced a difficult buying season "caused by a number of interlinked factors, including the heavy and irregular rainy season, a reduced crop size, an uncertainty about the crop quality, grading and presentation and variations in the external order base.

"A domestic offshoot of this was considerable disquiet expressed by both the trade and the growers

about sales procedures. As a result, the association's representatives on the sales procedures sub-committee had lengthy discussions with their counterparts in the Zimbabwe Tobacco Association between the 1985 and 1986 selling seasons," he said.

A new system was evolved and while it was not perfect from the buyers' point of view, initial indications were that it was a "great improvement" on that used last year.

With the help of the railways, 100 000 tonnes of tobacco was exported last year and the association was still negotiating preferential rail and harbour rates with the Mozambican authorities. It had also been invited to sit on the committee dealing with the development of the Beira Corridor.

At the meeting, Mr Tikki Hywood was elected president of the association and Mr Guy Hensman and Mr Mike Hodgson are the new vice-presidents.

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CSO: 3400/1719

## BRIEFS

**TRADE WITH U.S.**--Trade between Zimbabwe and the United States dropped off last year, with Zimbabwe's duty-free exports falling 56 percent mainly because of the cut in its sugar quota to the US. But, reports Zimbabwe's Washington embassy, "there is continued evidence of successful diversification of some of our exports" and the drop in Zimbabwe exports was matched by similar drops in duty-free exports by other eligible developing countries. Duty-free exports to the US dropped from US\$16.6 million in 1984 to US\$7.2 million last year, with raw sugar exports falling from US\$15.4 million to US\$5.7 million. Among the new or increased exports were products such as fur skins, macadamia nuts, unspun floor coverings, earthenware products, wrought nickel rods/bars/plates, chisels and other cutting tools, safes and strong-boxes, household silver-plated goods, silver and copper articles, aluminium articles, scale model railroads, precious stone jewellery and beads. In addition, laminated glass exports increased in value from a mere US\$355 to US\$335 860. But the embassy expressed concern that some exports were still being excluded by US Customs from duty-free treatment for administrative and other reasons. Although the value of these exports had dropped off slightly to US\$339 736 from US\$488 451, indicating that some exporters were heeding the advice given to them about proper documentation and the need to meet the 35 percent value added requirement, others had to be reminded about these again. [Text] [Harare THE BUSINESS HERALD in English 22 May 86 p C3] /9274

**HOUSING BACKLOG**--Mutare. About 146 000 housing units have to be constructed each year at an estimated cost of \$1 billion if the present housing backlog, both in rural and urban areas, is to be eliminated by the year 2000. Addressing delegates to the Association of Urban Councils congress which ended in Mutare on Wednesday, the Minister of Public Construction and National Housing, Cde Simbarashe Mumbengegwi, urged local authorities to mobilize resources of the people and the private sector, and not only look to central Government for funds. The minister spoke on how houses could be constructed using three cost-effective modes, namely building brigades, aided self-help and housing co-operatives. Cde Mumbengegwi objected to the idea that building brigades were transplanted from advanced socialist countries and prematurely planted in Zimbabwe. [Text] [Harare THE HERALD in English 23 May 86 p 5] /9274

GSO: 3400/1719

SOUTH AFRICA

BRIEFS

AHI OPPOSED TO ANY 'CIVIL DISOBEDIENCE'--Pretoria, 4 Jun, SAPA--The Afrikaanse Handelsinstituut (AHI) /Afrikaans Trade Institute/ said today it could not associate itself with any appeal for "civil disobedience" and regarded it as "irresponsible." The president of the AHI, Mr Christie Kuun, was reacting to a document released yesterday by the American Chamber of Commerce in South Africa (AMCHAM). Mr Kuun said the AHI could not support the proposals by AMCHAM and regarded them as "irresponsible against the background of present-day efforts and initiatives by the government and the private sector to eliminate friction, raise the general living standard and improve harmony in the workplace." It approved of negotiation to discuss problems, but was "not in favour of emotional incitement of labour against management." Mr Kuun said the AHI had no doubt the path of negotiation followed to date had yielded good results. /Text/ /Johannesburg SAPA in English 1225 GMT 4 Jun 86 MB/ 12228

PRISONERS FREED--A spokesman for the prison service in Pretoria says that since 1 May, 39,156 prisoners have been released. He said those prisoners who had been released had had their sentences reduced because of the 25th anniversary of the Republic of South Africa. Certain categories of prisoners, however, did not qualify for reduced sentences. These were people who had been found guilty of endangering state security or had been sentenced for crimes in connection with the unrest situation. Other prisoners who did not qualify were those who had been sentenced to more than 5 years' imprisonment for armed robbery, crimes of violence, rape, or prisoners serving more than 8 years for house-breaking and theft. /Text/ /Johannesburg Domestic Service in English 0500 GMT 31 May 86 MB/ 12228

RACIAL CODING--The government may drop the controversial racial coding in the new uniform identification documents. THE SUNDAY TIMES newspaper says the move will make the document far more acceptable to nonwhites and will also make the application of the group Areas Act very difficult and could lead to the demise of the Population Registration Act. However, it appears that even if the racial coding goes, all South Africans' racial classification will be kept in a central register in Pretoria. The Progressive Federal Party and colored and Indian members of parliament have refused to accept the part of the identification bill that makes provision for the so-called 12th digit, which tells whether one is white, black, colored, or even other colored. /Text/ /Umtata Capital Radio in English 1000 GMT 1 Jun 86 MB/ 12228

CSO: 3400/1908

27 June 1986

SOUTH AFRICA

## BUTHELEZI NOTES SIGNIFICANCE OF SOWETO ANNIVERSARY

MB051119 Johannesburg SAPA in English 1057 GMT 5 Jun 86

/Text/ Pinetown, 5 Jun, SAPA--The dignity of black people demanded that they commemorate 16 June, the 10th anniversary of the Soweto students uprising, the chief minister of Kwazulu, Chief Mangosuthu Buthelezi, said today.

Addressing workers at the Smith and Nephew plant in Pinetown during the opening of a new factory wing, Chief Buthelezi said all blacks still remembered the horror with which they received the news of the killing of Mr Hector Peterson--the first person to be killed in Soweto on 16 June 1976.

He said blacks also remembered the consequences the slaying of Mr Peterson had for the whole country, the anger that erupted and the alleged "police brutality with which that anger was met," he said.

"There are, however, some who want to turn this remembering into a political fiasco. We cannot pretend that 17 June is another 16 June and that 18 June is yet another June and that 19 June is yet another 16 June. There are some who even want to extend the 16 June remembrance to something like 10 days," he said.

He warned workers that they would be playing with the lives of their families if they turned 16 June into violence and death. Many blacks would be exhorted to go on the rampage on 16 June, he said.

Black people, he said, were not a nation of cowards who were afraid of the future or their bosses. They had the dignity of workers who knew how to deal with the "unscrupulous exploiters of our labor," he said.

"We have trade unions and we can negotiate with employers to ensure that we are treated fairly. Employers are not monsters beyond our ability to control. As workers we have a responsibility not only to our families, but to our nation," Chief Buthelezi said.

He warned workers of the political organizations and leaders who were prepared to "devastate the lives of the poorest of the poor for their own political goals."

/12228

CSO: 3400/1904

SOUTH AFRICA

MRS SISULU URGES WOMEN TO UNITE AGAINST VIOLENCE

MB030508 Johannesburg SAPA in English 1926 GMT 2 Jun 86

/Text/ Cape Town, 2 June, SAPA--South African women can end the growing spiral of violence in the country by joining together and demanding that the government stop the senseless killings of our children, UDF /United Democratic Front/ national president, Mrs Albertina Sisulu, told a meeting of 1,000 students and academics at UCT /University of Cape Town/ today.

Mrs Sisulu, who launched the university's centenary of women programme in Jameson Hall, called on women of all races to protest against the brutal slaying of their children and to demonstrate their strength and unity by marching on Pretoria, as they did in 1956 when pass laws were extended to black women.

No self-respecting women--no matter what her race--can stand aside and say she is not involved in the struggle for the liberation of herself, her children and her country.

The government sought to divide women through apartheid, while using its security forces and vigilantes to kill their children, she said.

If we remain silent, we are condoning the brutality that is taking place.

Mrs Sisulu said many white women were not politically active because they did not feel threatened by the growing violence in the townships.

I must warn you: It can happen to you tomorrow as it happens to me today.

But the women of South Africa have a chance of contributing to peace by aligning themselves with the democratic movement in the country.

She said it was not easy for blacks to reach out to white South Africans for comradeship at this point in history.

But I do so because I think it is extremely important for the future of the country. I have deeply-held belief in the importance of white participation in the struggle, she said.

The crisis has no colour.

/12228

CSO: 3400/1904

SOUTH AFRICA

DROUGHT RAVAGES LEBOWA

Johannesburg BUSINESS DAY in English 26 May 86 p 7

[Article by Sophie Tema]

[Text]

DROUGHT and unemployment has imposed a norm of abject poverty on Lebowa, bringing some of the villages to the brink of disaster.

Ravaged by unbroken drought, Lebowa is the government-designated homeland for thousands of unemployed North Sotho people who live with the ever-present threat of starvation and who rely on feeding schemes for survival.

Violence and job lay-offs — combined with the drought that has devastated most of the agricultural land — are expected to exacerbate the already critical malnutrition rate among young children.

Operation Hunger has started a massive feeding scheme to tackle the crisis.

In Lebowa alone the scheme is feeding about 180 000 people and is also involved in running self-help development projects.

Since 1983 the scheme has fed about 700 000 people in the rural areas.

This week a spokesman for the Department of Welfare Services in Lebowa, said: "The rate of malnourished children and even aged people in Lebowa has not diminished and we are definitely expecting an increase in disease since thousands of our people have been affected by retrenchments and drought.

"Another factor is that no food deliveries have been made in these areas since unrest erupted. Most of the people have run out of food and many depend on the soup ration provided by Operation Hunger."

Between 1983 and 1984, about 250 000 people — mostly farm labourers from the maize industry — were affected by lay-offs.

Since the drought, people have lost large numbers of their livestock and have been unable to grow their own crops.

Although there was rain in some areas during the summer months, for many the rains came too late to save the normal crop. Operation Hunger has, meanwhile, encouraged people to grow drought-resistant crops such as sorghum.

Most areas depend on boreholes for their water supply but many have stopped operating after deliveries of diesel oil in unrest areas stopped.

For their water supply people in villages like Ngoabe, Maepa and many others depend on cholera-infested rivers.

Operation Hunger's executive director Ina Perlman said the scheme will need R12m to feed the hundreds of thousands of blacks in the rural areas.

Perlman said there were about 2.9-million children under 15 who were below the international height-weight-age standard and who suffered from clinical malnutrition.

Faced by Lebowa's ailing economic structure, Chief Minister C N Phatudi has threatened to hand Lebowa back to South Africa unless more finance is made available to run the country.

/12379

CSO: 3400/1866

SOUTH AFRICA

BRIEFS

KANGWANE'S MABUZA CRITICIZES MEETINGS BAN--Johannesburg, 6 Jun, SAPA--The ban on all meetings concerning 16 June and the warring of a possible new state of emergency being imposed by government are provocative moves in a volatile situation, Kangwane's chief minister said today. In statement to SAPA, Mr Enos Mabuza, said the South African police and the South African Defence Force may indeed subdue any unrest, but the fact of the matter is that they cannot resolve the problems which have given rise to the current unrest. "The South African Government needs to address the immediate grievances of our people as well as their political aspirations," he said. Mr Mabuza added: "The struggle of the black people for liberation is not aimed at destroying whites but at destroying apartheid. "I have never advocated violence to force change in any circumstances and I call on all South Africans to remain calm during this emotionally charged time." /Text/ /Johannesburg SAPA in English 1105 GMT 6 Jun 86 MB/ 12228

BLACK UNEMPLOYMENT UP--Pretoria, 5 Jun, SAPA--The number of unemployed blacks in South Africa and the homelands in March 1986 increased by 5.1 percent to 533,000 from March last year, the Central Statistical Service reported in Pretoria today. The unemployment rate for March was 8.2 percent, .2 percent down from February this year. Some 6.49 million blacks of the estimated 19,186,000 blacks in the RSA and the homelands were economically active, the service estimated. /Text/ /Johannesburg SAPA in English 1403 GMT 5 Jun 86 MB/ 12228

UNEMPLOYMENT AID FOR BLACKS--CAPE TOWN--A relief scheme for unemployed whites, Indians and coloured people may be extended to blacks. Mr Leslie Davadoss, general secretary of the Engineering Industrial Workers' Union, said Mr Timo Bezuidenhoud, regional director of the Department of Co-operation and Development, had promised to discuss this with his head office in Pretoria. The scheme was started last October to help people whose unemployment insurance fund (UIF) benefits had run out. Social relief schemes did not fully serve their purpose--especially where people were unemployed for long periods. Families get R164 per adult and R49 per dependent child monthly. This can be in addition to unemployment benefits, but relief payments are reduced when a family is drawing from the UIF. Mr Davadoss said the union was concerned that the scheme did not apply to blacks, often out of work longer than other groups. "Times are hard. We seem to spend much of our time arguing with firms about retrenchment packages and we can't find new jobs for them," he said. [Text] [Johannesburg THE STAR in English 28 May 86 p 15] /12379

SOWETO DEFENSE URGED--The Soweto Civic Association (SCA) has called on residents to form street and defence committees to protect themselves against vigilante attacks. At a Press conference yesterday, the Rev Frank Chikane, a prominent theologian, accused the Government of permitting the attacks "to force people into submission". Over the past three months, he said, Soweto residents had been attacked by the army, the police, hit squads and gangsters. Yesterday a woman was killed and two people were seriously injured when eight homes belonging to activists were attacked in Thokoza and Katlehong on the East Rand. This brings to seven the number of people who have died in anti-activist attacks in the past fortnight. [By Maud Motanyane] [Text] [Johannesburg THE SOWETAN in English 29 May 86 p 1] /12379

CSO: 3400/1866

SOUTH AFRICA

NEW STUDENT GROUP TO COMPETE WITH NUSAS LAUNCHED

MB041138 Johannesburg SAPA in English 1103 GMT 4 Jun 86

/Text/ Durban, 4 Jun, SAPA--A student organization to combat the NUSAS "monopoly" was launched at the University of Natal Durban campus today.

The Durban Student Alliance (DSA) said in a statement it was a "moderate... organization committed to the creation of a better South Africa along free market lines."

DSA chairman, Mr Jonathan Poole, said the aim of the organization was to provide "a political platform for students committed to breaking NUSAS (National Union of South African Students) control over campus which is being maintained through the system of compulsory membership."

The organization would promote a programme of political and economic reform "based on the free market system and the rule of law."

Mr Poole attributed what he said was widespread support and interest shown by students in the formation of DSA to "the growing dissatisfaction amongst the student body with the militancy of the left-wing."

Students were "eager to show their opposition to NUSAS by ending the monopoly which radicals have had over student politics," Mr Poole said in the statement.

The DSA planned to affiliate to the National Student Federation (NSF) "in the near future," the statement added.

Miss Meryl Plaskett, SRC /Students Representative Council/ president on the Durban campus, said the SRC welcomed the formation of the alliance as it would give the right-wing a voice with which to identify and would hopefully stimulate further political debate on campus which the NUSAS SRC had been doing for years.

"Contrary to the claim that NUSAS controls campus, campus controls NUSAS through democratically elected SRCs, for which any student can stand and vote. NUSAS consists of SRCs of affiliated campuses in a loose federation of SRCs and NUSAS local committees.

"We hope the alliance will put forward candidates in SRC elections, unlike their fellow organizations on other NUSAS campuses which have used their endless sources of mysterious funding to solely discredit SRCs and NUSAS."

27 June 1986

## SOUTH AFRICA

## BRIEFS

FORCED REMOVALS OPPOSED--Cape Town, 1 Jun, SAPA--Over 100 city planners and architects have signed a statement urging their colleagues not to take part in any scheme to rebuild Crossroads without the full consent of the whole community that existed there. The statement notes that the Urban Foundation withdrew its commitment to planning the upgrading of Crossroads because it would legitimate the violence directed against those people forced out of the area. It also notes that a firm of professional planning consultants has allegedly agreed to prepare alternative upgrading plans. Citing the need for ethical principles to guide the actions of people planning and designing the environment, it endorses a statement made by architectural students at the University of Cape Town, calling on all architects, planners and designers: Not to participate in any scheme for the replanning and rebuilding of Crossroads without the full knowledge and consent of the community that existed before the outbreak of recent violent events. To reject forced removals in any form and to add their voices to the demand for the abolition of the Group Areas Act and the rejection of any urbanisation policy that does not allow for the free movement of all people. /Text/ /Johannesburg SAPA in English 1826 GMT 1 Jun 86 MB/ 12228

TUCSA OPPOSES POLICE--Johannesburg, 5 Jun, SAPA--The Trade Union Council of South Africa (TUCSA) today stated its opposition to the draft security legislation presently before parliament which makes provision for increased detention powers for the police of up to 180 days. In a statement by Mr J.F. Roux, acting general secretary, TUCSA says it "reiterates its previous resolution that it is committed to the rule of just law and regards detention without trial as being contrary to the concept of just law." /Text/ /Johannesburg SAPA in English 1119 GMT 5 Jun 86 MB/ 12228

CSO: 3400/1921

SOUTH AFRICA

## TURNING POINT SEEN IN DIAMOND PRODUCTION

### De Beers Figures Given

Johannesburg FINANCIAL MAIL in English 9 May 86 pp 28-29

[Article by Andrew McNulty]

[Text]

After the hard assets boom of the late Seventies, the slump came in 1981 and De Beers passed its dividend for the first time in 50 years. But now, after five hard years, the turning point has come and the market views the share as firm on fundamentals.

*"I still can't figure out why the Central Selling Organisation is the only cartel I know of that has never failed and that seems to satisfy both producers and dealers. I also can't understand why it pays De Beers to control their sights so tightly. None of the explanations I have heard really satisfies me and yet there must be a good reason." — Economist Milton Friedman after visiting SA in April 1976.*

Friedman's puzzlement at De Beers' apparent success almost proved prophetic. Soon after he said this, diamond sales were soaring in an inflation-driven hard assets boom. When the 1981 collapse came, and De Beers cut its dividend for the first time in 50 years, large stocks of gem diamonds were held in the trade, outside the safe hands of De Beers and the Central Selling Organisation (CSO). For the first half of the Eighties, sales of rough diamonds remained disappointing, CSO diamond stocks climbed to a dizzy R4,7 billion, and De Beers' borrowings soared to R1,36 billion.

Many analysts and investors questioned whether De Beers would ever regain its grip on the world diamond industry. Yet in the past 12 months, the share has been seen as one of the JSE's truly outstanding recovery stocks. Like most mining companies, De Beers' share has been fuelled by the weak rand. But where it differs from almost all others except platinum producers is that De Beers is now seen to be enjoying a powerful upsurge on fundamentals.

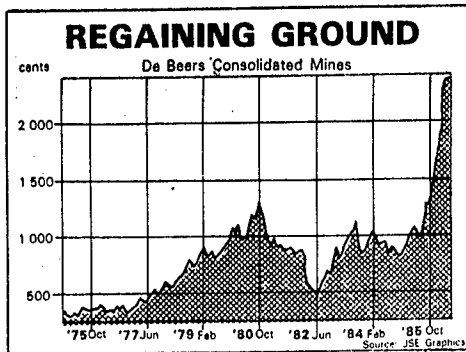
First confirmation of underlying recovery came with the figures for sales of rough diamonds in 1985 and the preliminary year-end profits. Apart from the 95% increase in earnings, which are magnified by exchange rates, stocks had finally declined in real terms.

### Normality returning

In his review this week, and in an interview with the *FM*, chairman Julian Ogilvie Thompson offers even more positive assurances that normality is returning and De Beers is firmly back in control.

His comments suggest that after stagnating for half a decade, CSO sales should again move more directly with sales of polished diamonds. And world sales of retail jewellery have increased for all but two of the last 15 years. Last year they rose by 3% to another record at US\$21,63 billion. The best growth was seen last year in non-US markets, aided by the weaker dollar; this year the low oil price and firmer US economy should help sales there as well.

This sets the scene for a considerable increase in volumes, which would be accompanied by better margins. The quality and sizes

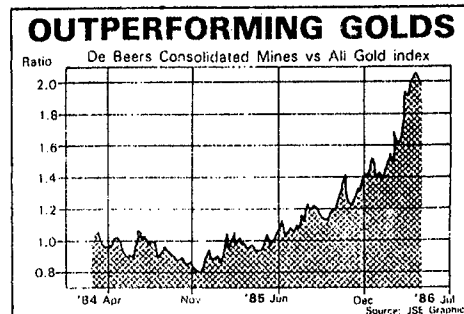


of rough diamonds sold is improving, and an overall 7,5% price increase in the CSO's prices takes effect from the fourth sight in May.

The balance sheet supports the impression of improving fundamentals. Interest-bearing debt was down by R96m at end-December, but there was also a significant fall in the medium- to long-term borrowings in foreign currencies, with dollar loans down by \$75m and those in Belgian

francs by 30m francs. In addition, cash reserves rose by R123m to R281m. There is also confirmation that stocks are shrinking. Apart from the \$52m fall in the value of the CSO stockpile, stocks held at mines rose by only R4m to R104m, suggesting a lower dollar value.

Local analysts generally are not expecting renewed growth in the share price just yet. A phase of consolidation had to come after the advance seen in the last 12 months, and most of the known fundamentals are probably in the price.



At R24,30c, the share yields a historic 2,3%, so the market is looking some way ahead.

But after five difficult years the turning point has arrived. So even assuming no more help from the rand, De Beers' earnings and dividends should rise strongly

over the next few years. More good news when mid-year sales and profits are published should boost sentiment on the share.

## De Beers Chairman on Recovery

Johannesburg FINANCIAL MAIL in English 9 May 86 pp 28-29

[Text]

De Beers and the diamond industry are emerging from what former chairman Harry Oppenheimer described as its worst depression in 50 years. The present chairman, a clearly confident Julian Ogilvie Thompson, talks to the *FM*.

**FM:** You say that 1985 was a turning point in the market for rough diamonds. Would you say yet that De Beers and the industry have returned to normal?

**Ogilvie Thompson:** We are well on the way to a return to full normality. Retail sales of diamond jewellery were good throughout the Eighties. We held back our sales in the earlier part of the decade while the difference between our sales and the ultimate consumer off-take was met by a reduction in stocks in the cutting centres.

Those stocks are now more or less down to normal operating levels and so we hope our rough stone sales will be more directly related to what we believe are going to be satisfactory retail diamond jewellery sales. So we are very nearly at the point of normal, profitable, satisfactory trading.

**Have structural changes appeared in the trade since the hard assets boom of the late-Seventies?**

No, I don't think so. During the boom there was a mushrooming of so-called investment companies, almost all of which have collapsed and disappeared. Those companies weren't really in the normal routine pipeline. The cutting industry is one of the most flexible and adaptable businesses in the world. I think they've adapted themselves to current circumstances and we would hope that the relationships between ourselves and them and the jewellery manufacturers and retailers is back to a normal long-term base.

Your report says that inventories and bank debts have continued to fall in the cutting centres and the trade is now in a better position to finance further expansion. Could you elaborate.

They've been reducing their stocks and they have also been reducing their bank debt during this decade. We believe both are down to sound levels. If the retail jewellery market remains satisfactory, and it looks as though it's going to be, it means we could hope for higher sales than last year. We don't think the cutting centres would have difficulty financing that, partly from their own sources and partly from more bank borrowings if necessary. Certainly, if you take Israel, there's been an increase in polished exports in 1985 and a further increase in the first part of 1986.

**What changes have taken place in the jewellery market itself over the past few years? There appears to have been a broadening of the market geographically.**

Yes. Our promotional efforts have been directed at facilitating that sort of change. These efforts are directed at three main areas. Firstly, the natural annual growth in industrialised countries. Secondly, the newly-industrialised countries whose per capita incomes are coming to the levels where they can afford diamonds. And, thirdly, in particular countries there are opportunities for new markets.

You will remember how we were able to expand the market for diamond anniversary rings. More recently, we have been spending part of our total budget on promotion of men's jewellery. We have been encouraged to see that after a slow start, this market is beginning to take off, particularly in the US. But these are not fundamental changes. They are changes at the edge of what I've described as a highly flexible and adaptable business.

**How has demand for jewellery been in the US? You say in your review that sales there were less spectacular, and some commentators seem to believe they were disappointing.**

US sales were less spectacular in 1985 than in 1984, when there was a staggeringly high growth figure of about 19%. In 1985, the figure was more like 6%. I call that satisfactory and encouraging and I think you and I would be very pleased if we had that sort of increase in America every year. The bulk of retail sales takes place in the second half of the year, but the reports we are

getting show that sales in 1986 have remained encouraging. We've got no reason to feel sales have been disappointing in the US.

**How much are you spending on promotion of jewellery?**

Last year around US\$85m and this year it will be above \$90m. Future increases will depend on how the market develops.

**De Beers' total interest-bearing debt fell by about R96m in 1985. Do you expect this trend to continue from here onwards?**

We would hope so. If the market continues satisfactorily, we hope to see a further reduction in our effective dollar debt. What the rand debt will be at the end of the year will depend on both that and what the rand/dollar exchange rate is at the end of the year. But we're pleased our debt is coming down and the trend looks to be continuing.

**Will Debswana's production be higher this year than last?**

It's early days yet, but at this stage they're budgeting for much the same production as last year.

**A further evaluation is being undertaken of the Venetia prospect. How long is this likely to take?**

That depends on what we find --- but we hope to have an indication of what it looks like during the course of this year.

**There is a view that De Beers' dividends are likely to increase appreciably more slowly than earnings. Is this necessarily true?**

We've never had a firm dividend policy at De Beers, however sensible such a policy might be for other types of business. Dividends are assessed in relation to a number of things each year. Those include the earnings, cash on hand, total overall borrowings, other considerations such as investment requirements at the time, and finally the way rough sales are looking when the dividend is being declared.

**Do you see any potential at all for the findings of the Thirion Commission to affect De Beers' earnings?**

I would think not. In the three weeks since the annual report went to print, we've had further confirmation of our view expressed there. Firstly, CDM has not in any way failed to abide by the overall arrangements with the government. Secondly, we were encouraged by the statement put out by the government in South West (Africa) on how they were going to approach the Thirion Commission, and we have no evidence other than that they are going to adopt a sensible and reasonable policy.

SOUTH AFRICA

BRIEFS

STRIKE AIRCRAFT TO BE DEVELOPED--Armcor should now start developing SA's own strike aircraft, Wynand Breytenbach (NP Kroonstad) said. [Text]  
[Johannesburg BUSINESS DAY in English 15 May 86 p 5] /13046

MALAN LAUDS ARMSCOR--Minister of Defence Magnus Malan yesterday paid tribute to Armcor for "exceptional achievements" over the past years. Speaking during the committee stage on his vote, Malan said Armcor's export success was proof of the quality of its products. [Text]  
[Johannesburg BUSINESS DAY in English 15 May 86 p 5] /13046

CSO: 3400/1872

END