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24 August 1982

SUB-SAHARAN AFRICA REPORT

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CHAD

BRIEFS

ADB AID--The African Development Bank is to lend Chad \$17m. to renovate its damaged international airport and for other work in the country. A bank administrator, M. Pierre Moussa said that part of the emergency loan would go to rebuilding power installations in the capital and three other cities. N'Djamena Airport was severely damaged in 1980 during fighting between government troops and forces led by Hissene Habre. The Bank plans to reactivate shelved projects including improved sewerage and roads for the capital, rice growing and wheat growing, M. Moussa said. [Text] [London WEST AFRICA in English No 3391, 2 Aug 82 p 2015]

CSO: 4700/1698

EQUATORIAL GUINEA

BRIEFS

RDLGE SEEKING ELECTIONS CLARIFICATION--The Democratic Grouping for the Liberation of Equatorial Guinea (RDLGE), an exiled opposition movement has asked the Malabo Government under what conditions the August elections will be held. The President of the movement, Sen Manuel Ruben N'Dongo complained in Paris that the Government had not made it clear whether the elections would be in the framework of a one party system or a multiparty system. Sen N'Dongo said his party would present candidates if the elections were of the multiparty sort. Sen N'Dongo said his movement had always been against violence, so he did not understand why the authorities were against the RDLGE presenting candidates. [Text] [London WEST AFRICA in English No 3391, 2 Aug 82 p 2015]

CSO: 4700/1698

GAMBIA

BRIEFS

JANNEH CHARGED WITH EMBEZZLEMENT--Banjul, July 17--Former Gambian Minister of Information and Tourism Hawsoon Semega Janneh has been arrested and charged with embezzling public funds, informed sources here said. The arrest was the first since President Sir Dawda Jawara announced at a congress of his ruling party in March that he intended to fight corruption in the West African state. (AFP) [Text] [Paris AFRICA AFP in English 20 Jul 82 p 14]

CSO: 4700/1633

CIVIL SERVICE MUST BE 'RADICALLY' RESTRUCTURED

AB111936 Accra Domestic Service in English 1300 GMT 11 Aug 82

[Station commentary]

[Text] In any popular revolutionary process, the need to break down all state institutions and replace them with new ones is absolute. The simple reason for this vital measure is that the old state institutions were created and have been functioning mainly to serve the interests of the hitherto dominant minority in the society, and therefore, they cannot automatically be made to serve the democratic interests of the new popular majority who come onto the political scene. Structural changes ought to be effected in all state institutions without exception since the failure to do so may spell the doom of the revolutionary process before any substantial gains are achieved. It is in this light that the restructuring of the state bureaucracy of the civil service, as it is popularly called, must be seen.

The importance of the civil service as an administrative arm of government is obvious, but at a period when there is a process to transform the whole society in a revolutionary manner, it is necessary to seriously examine whose interests are served by the state bureaucracy, its efficiency, its costeffectiveness, its methods of operation and all similarly related matters. This is the next step after recognizing the importance of the need for restructuring.

Historically, the civil service of Ghana originated as the administrative wing of the British colonial rulers. This historical origin and a whole period of development before formal political independence give the civil service we have in this country a certain character and shape with the more or less limited aim of serving the interests of the colonial masters and their hangers on. The overall structures, procedures, practices and rules which became the major features of the colonial civil service have unfortunately undergone very little fundamental change since the attainment of formal political independence in 1957. For example, there is the myth of neutrality of the civil service which still weighs heavily on the minds of a number of serving personnel, and which leads to officials not being in any way committed to working in the interest of the popular majority, even in revolutionary times.

A close observation of the Ghana civil service shows characteristics that are hardly in line with the aims and aspirations of the present revolutionary process.

1. The procedures of work within this service are extremely timewasting, sometimes deliberately go slow. Standard replies like "we are looking into it" and "check again next week" need urgent requests for task to be done. The whole service is heavily overstaffed, thereby creating severe strains on the economy, since the level of output does not justify the funds and resources that are put into the service.

3. [as heard] There is overcentralization in the civil service with Accra being the "beall" and "endall." Decisionmaking in the service is largely undemocratic, not just in terms of major policy decisions being dominated by a few top people, but mainly in terms of the substance of decisions not actually going to advance the interest of the majority of our people.

5. [as heard] Corruption, bribery, nepotism and other malpractices are rife in the civil service.

All these factors and many more make the restructuring of the civil service an issue on which there must be no compromise with old backward ideas and interest groups. The very efficiency and effectiveness of the present government depends to a large extent on how efficient and effective the civil service can be made to become and the formulation and implementation of policies.

The national debate that has been opened on the restructuring of all state institutions must pay particular attention to the civil service because of its centrality in the success or failure of government. And no efforts must be spared in carrying out the actual exercise to make the service efficient costeffective, democratic and responsive to the needs of the general mass of the people. Certain vested interests may be affected adversely when measures like the redeployment of redundant hands, decentralization and cutting down of waste, the instilling of discipline into the service procedures and the clamping down on bribery and corruption are being undertaken, but this cannot be helped, for the laudable aims of the 31 December revolution can only be achieved with a radically restructured civil service.

CSO: 4700/1724

RADIO PROGRAM QUESTIONS VALUE OF FOREIGN AID

AB112118 Accra Domestic Service in English 1410 GMT 11 Aug 82

["Let the People Know" program]

[Text] There is a growing awareness that developing countries including Ghana cannot rely on aid from outside as the major source of funds and resources for the social and economic development. The amount of aid that flows into the developing countries comes nowhere near the level of funds and resources needed to achieve self-sustaining economies and high levels of standard of living in these places. The conditions under which aid comes, too often make the real benefits from aid--if any--quite insignificant or in certain cases negative. It is therefore not for nothing that the present government of this country has taken a certain stand on the role of aid in our developmental efforts.

In his major broadcast to the nation on July 29 this year, Flight Lieutenant Rawlings, chairman of the PNDC [Provisional National Defense Council], stated that no one can develop this country for us, and that other countries can only help us to do what we ourselves have set our minds to do. Another member of the PNDC, Brigadier Nunoo-Mensah, has subsequently pointed out that much as foreign assistance is welcome, the present government realizes that it is up to Ghanaians to solve their own problems. A cautious approach to aid as against the position of abject trust in aid as a viable means of development, is (?informed) by the actual experience of many countries.

An informed understanding of what is termed aid and the role that aid plays in the economies of developing countries will go some way in helping our people to know some of the demands they can make on our political leadership and the attitude this nation can take to specific forms of aid which come our way. Our last discussion on the rejection of a \$5 million aid by Nicaragua has already pointed out a number of factors which time will not allow to be repeated into this program. But it is useful to point out the principle underlying the decision of the Nicaraguan authorities, that is that foreign aid which is intended to undermine a country's economic stability and therefore not meant to aid development must be rejected.

There is no doubt at all that in the past, some of the projects that have been financed by aid have been useful and some of the officials who have administered aid and continue to do so genuinely believe that its main purpose is to eliminate poverty and benefit the countries. But the fact is that the development promoted through aid is of a particular variety. It is development--if at all--strictly in accordance with the interests of the metropolitan powers who offered the aid and with the interest of the owners of big business in particular.

In 1969 a memorandum from the Confederation of British Industries to the House of Commons select committee on overseas aid, put it this way; the British industry's help to the Third World is, in essence, an investment in the development of markets and sources for the supply of raw materials. Sometimes state officials have been very open on the reasons for offering aid. A former president of the World Bank, Mr Eugene Black, stated in details. "Our foreign aid programs constitute a distinct benefit to American business." The three major benefits are:

1. Foreign aid provides a substantial and immediate market for U.S. goods and services,
2. Foreign aid stimulates the development of new overseas market for U.S. companies,
3. Foreign aid orients national economies toward a free enterprise system in which U.S. firms can prosper.

Another state official, a former senior economist with the USAID, Prof H. B. (Chenery), admitted that economic assistance is one of the instruments of foreign policy that is used to prevent political and economic conditions from deteriorating in countries where we value the preservation of the present governments. Other similar remarks that have been made by Western leaders are even more embarrassing than what we have referred to.

AID then helps those who provide it, both directly and indirectly, and in most instances it is the political and economic gains that the donors can make and not the poverty and sufferings in the recipient countries that motivate aid in the first place. Bilateral aid--that is aid on a basis on nation to nation arrangement for example--is almost tied to goods and thus it serves as a useful means of selling goods and services whose prices are above average and also opening up new markets for big business in the donor country.

It has been estimated that the average price of goods financed by AID is 25 percent above world market prices. It has also been pointed out since aid is usually provided in the form of loans, and moreover is normally available for the direct foreign exchange cost of projects, it commits governments to spending their own resources on projects that

the foreign partners see as useful. In particular, AID commits governments of countries such as ours to spending resources on infrastructural projects such as transport, communications and power which are necessary for the profitable operation of foreign business. Examples of such projects in Ghana are common. Governments which become dependent on aid are forced to borrow more money to repay past loans and thereby become more compliant to the wishes of the rich countries. There have been many instances in which aid is offered not to promote particular economic policy but political weapons. Where aid is used as a political weapon it goes with brutal cynicism which is especially observed in the area of food aid where the lives of thousands and sometimes millions of people are at stake.

Finally, it must be emphasized that the policies that are usually promoted by aid are not aimed at any direct and radical attack on the courses of poverty in the developing countries. At best, aid is used to promote reforms that can be afforded by the ruling groups of the rich advanced countries which do not pose any threat to the socioeconomic system on which the big companies of these ruling groups parasite. Incidentally, not only the aid from the governments and government agencies of countries in the developed world are characterized by the features we have outlined. It is not unusual to find that most of the aid that is channeled through international bodies like the World Bank and the IMF has similar string attached. When all these points are thoroughly understood by our people and governments, we shall be in a better position to realize that it is mainly through our own efforts that we can develop as a nation and not by reliance on aid.

CSO: 4700/1724

PLACING PWD UNDER MILITARY ADMINISTRATION QUESTIONED

AB061916 Accra Domestic Service in English 1800 GMT 6 Aug 82

[Station commentary]

[Text] The Provisional National Defense Council [PNDC] secretary for works and housing has announced measures aimed at restructuring some organizations under his ministry. Among other measures, it has been decided that the Public Works Department [PWD] be placed under military administration. There will be a military management which would be directed by the chief of staff of the PNDC office and the secretary for works and housing.

The restructuring of all state institutions is a fundamental component of the national democratic revolution. As stated in the preamble to the policy guidelines of the PNDC, the operations of all existing institutions under the various ministries must be examined to find out how they promote the loss of capital resources and incomes to foreign interest groups and to restructure them to satisfy solely the national interest.

But having accepted the importance of restructuring all state institutions to make them serve the interest of the people, the next important issue is the form that the exercise must take. In the main, there is the need to make more democratic the decision-making process in all ministries and state organizations so that the workers in these places can take part in arriving at what policies are to be undertaken. The general mass of the people must also be enabled to influence the direction and substance of policies of state institutions.

The specific form in which the secretary for works and housing wants to reorganize the PWD is that the placing of the department under military administration poses a number of problems. In the first place, the Ministry of Works and Housing seems to be partially relinquishing its responsibility in seeing to the proper running of the department under it by partly placing the PWD under the chief of staff of the PNDC office. Secondly, placing the department under military administration does not answer the issue of involving the workers in that organization in the decision-making process. Also, if it is recognized that there are some qualified military personnel

most suited to the highest administrative offices of the PWD, will it not be better to attach or second these officers to the department rather than the situation under the present decision?

We appreciate the spirit of the measures announced by the secretary for works and housing to overhaul the establishments under his ministry, which the secretary described as the meeting points of corruption, nepotism, mismanagement, and daylight thieving. The measures are in line with the preamble to the PNDC policy guidelines, but to make all state institutions more democratic in their running and more responsive to the needs of the people, the specific forms that the new changes are to take must be seriously considered.

The decision on the PWD does not seem to be the best in present circumstances.

CSO: 4700/1724

NEED SEEN FOR HOLDING OAU MEETING IN TRIPOLI

AB120912 Accra Domestic Service in English 0700 GMT 12 Aug 82

[Press review]

[Excerpts] In the third of the series on the OAU summit, the GHANAIAN TIMES says the six-nation contact group to work toward the reconvening of the OAU summit in Tripoli is all right but no one should cry if the group is unable to change the minds of the boycotters. It would sound pleasant if Col al-Qadhafi agrees to attend the summit at another place but it would be illogical for him to do so. It must be in Tripoli; otherwise we better forget it. The TIMES urges the African states to demonstrate their capability to take their own decisions. The decision to hold the 19th OAU summit was Africa's decision through the OAU and after 2 decades, the OAU is still not capable of respecting the will of the majority. It questions the standard of African intelligence African states are portraying. What kind of self-image would these leaders--who can be swayed by emotion or promises of aid to make them traitors of Africa--see for themselves when they are regarded as puppets of their external masters.

The external forces have the least respect for these leaders and they would invariably be abandoned by their external masters when their purpose has been served. It is the view of the TIMES that the 32 leaders who went to Tripoli will forever be recorded in history as big-minded leaders who measured to high qualities, built respected nations and liberated Africa.

Colonel al-Qadhafi will also go down in history as a leader who stood for Africa and enshrined as martyr [as heard] on the African liberation struggle for offering the resources of his nation for the emancipation of Africa. It says as the new chairman of the OAU, Colonel al-Qadhafi will have to prepare the ground for the 1983 summit in Conakry. His present harassment by imperialist forces stems from his commitment to the decolonization of apartheid South Africa. The paper writes: quorum or no quorum, he has the mandate to advance African liberation in the coming year. The TIMES urges the contact group to reconvene the 19th summit to make sure that the enemies of Africa's liberation do not succeed in extending their sabotage plans beyond Tripoli. The 20th OAU summit in Conakry next year must succeed. To achieve that is more important than the 19th summit. The OAU marches on! The African revolution will advance with greater force, says the TIMES.

CSO: 4700/1724

BRIEFS

USSR FRIENDSHIP FORUM ADDRESS--The coordinating secretary to the Provisional National Defense Council, Mr Obeng, has declared that all nuclear weapons are dangerous to mankind and should be condemned by all peace-loving people. He rejected a claim by the United States that the neutron bomb is a humane weapon designed to hit troops and leave the civilian population intact. Mr Obeng was speaking in Accra yesterday at an open forum organized by the Ghana-USSR Friendship Society and the Ghana Peace and Solidarity Council to commemorate the national day for actions to ban nuclear weapons and nuclear war. The day marked the 37th anniversary of the dropping of atomic bombs on the Japanese cities of Hiroshima and Nagasaki by the United States, resulting in the death of about 300,000 people. [Except] [AB080740 Accra Domestic Service in English 0600 GMT 8 Aug 82]

ACCRA LEGAL STATUS--A law according legal status to the greater Accra region has just been published. The law was signed by the chairman of the PNDC [Provisional National Defense Council] Flight Lieutenant Rawlings, on 23 July this year. An official statement issued in Accra said in according legal status to the region, the PNDC has removed the constitutional and legal anomaly. The greater Accra region has been functioning for the purpose of administrative convenience as a region for nearly 20 years, but lacks the requisite legal status even though ministers of state and commissioners have been appointed by previous governments to administer the area. The region covers the Accra city council area, the Tema district council area and the Adangbe district council area. The statement said the decision to accord it legal status stemmed from the fact that the greater Accra area automatically ceased to be part of the eastern region. This development will, among other things, affect the composition of the House of Chiefs for the region, similar to that of Brong-Ahafo, northern and upper regions of Ghana. [Text] [AB121838 Accra Domestic Service in English 1800 GMT 12 Aug 82]

AIR FORCE AIRCRAFT CRASH--Two Ghana Air Force planes on operational duties in the Kumasi area have crashed. The accident occurred 2 miles from the Kumasi airfield in the early hours of yesterday. An official statement last night said investigations are being conducted into the cause of the accident. [Text] [AB080738 Accra Domestic Service in English 0600 GMT 8 Aug 82]

CSO: 4700/1724

DOE SAID TO HAVE DONE GOOD WORK IN LAST 2 YEARS

London WEST AFRICA in English No 3391, 2 Aug 82 pp 1977-1987

[Text]

A LONE STAR had been shining with ever-greater brilliance in the Liberian political firmament. That is the star of the Head of State and Chairman of the People's Redemption Council, Commander-in-Chief (and former Master-Sergeant) Doctor Samuel Kanyon Doe. The original 17 enlisted men who mounted the coup of April 12, 1980 were dubbed collectively "our Moses" by the *New Liberian* (July 8, 1982) for having lifted the yoke of 133 years of True Whig Party and "Americo-Liberian" domination from the oppressed people. In the early days, the then Master-Sergeant shared national prominence with the forces Commanding-General Quiwonkpa, the PRC vice-chairman Weh Syen, and to a lesser extent the most prominent former opposition leaders Dr. Tipoteh and Baccus Matthews. Now, however, having weathered the tests of time and the worries of state, the once slim but now "sleek" leader of Liberia, dominates the newspapers and a lot of the conversation.

Even if the phrase "in consultation with the PRC" is often added, Dr. Doe has been doing the hiring and firing. In fact, even more than that, the C-i-C (an affectionate abbreviation of his Commander-In-Chief title) has been gradually replacing the collective Moses of the early days, until some admiring journalists have come close to calling him Jesus. This arose especially out of the sensational dismissal of Justice Minister Isaac Nyeplu. The simple facts were that one Abraham Swaray was jailed last December for involvement in a \$45,000 counterfeit and gasoline coupons racket. At the end of this June, Sam Massaquo (deputy police administration

director) and Lt-Col. Sam Kamara (of the police intelligence unit) were found guilty by the Special Military Tribunal of receiving a \$6,000 bribe from Swaray to secure his release, and were sentenced to death as required by existing legislation. As one newspaper said, Dr. Doe was inspired by God and the wisdom of Jesus Christ (remember the teaching about letting who is without sin cast the first stone?) to instruct the Justice Minister to find "three police officers who were three honest and uncorrupt officers to form the firing squad. Both Minister Nyeplu and police chief Joseph Myers failed in this task and were dismissed by Dr. Doe. Minutes later, the C-i-C personally released Swaray, Kamara and Massaquo.

For some time now, Head of State Doe has, maybe in consultation with some smart advisers, been cultivating the image of a man of peace and reconciliation, a man of last-minute clemency and compassion motivated by a firm sense of justice. The only problems caused by this approach might spring from the hint of autocracy, however high the motivating principle, and also the arbitrariness of exercising such powers when his own courts have found the accused guilty to the point of condemning them to death. One Liberian commented that it would be even more serious if what had started out as an accident, an act of political misjudgement, was now becoming a style of government.

This was a reference to the five students rescued just before a dawn death in January this year. It was understood that Monrovia came to a standstill on hearing of the death sentences, and spontaneous jubilation broke out when C-i-C Doe

ordered their release, a jubilation that was transformed into personal (if not political) capital where the PRC chairman was concerned. Ever since the heady days of the early firing squads at the Barclay Training Centre, it is as if death by execution has been the big stick wielded by the same man who then has proceeded to hand out the carrots.

It seems like a joke to use the word "carrots" when it comes to the much-praised restoration at the beginning of July this year of assets and properties confiscated from former Tolbert government officials after the April 12 coup. At the time, the PRC confiscated 301 houses from 34 former officials. Of this number, 144 houses belonged to the 13 people executed by firing squad.

According to *The New Liberian*, the late President Tolbert "led the list" owning 71 houses; Clarence Simpson (former True Whig Party general secretary) came second with 42 houses; Senator Taylor Major was third with 31; former Speaker Richard Henries followed with 24 houses, while James T. Philips had 12 and Leroy Francis had 11; Clarence Parker (True Whig treasurer) and Oliver Bright had nine houses each, and so on down to the "poorest" of the 13 who had only five houses each.

The PRC decision was that all properties including those 157 houses and agricultural estates of former government officials were restored to their "rightful owners" except for the executed 13 officials, the late President Tolbert, the fugitive Vice-President the Reverend Bennie D. Warner, and Clarence Simpson. The *New Liberian* said observers saw the move as a demonstration by the PRC of its "respect for and guarantee of the right to the ownership of private properties in the country". It added that the measure would certainly heal a lot of wounds and "bring about genuine reconciliation, engender the spirit of unity, peace and stability. It will also urge more self-imposed Liberian exiles to return home ..."

In another article, the *New Liberian* reminded readers that after the 1980 coup, Dr. Doe had assured the Liberian people that the revolution occurred to free them from minority rule, injustice, nepotism, misuse of power, corruption and total disregard for human rights. In those early days the "revolution" was seen as ending the 133-rule of the True Whig Party, the "Americo-Liberian" elite, and the system they ran of nepotism, minority rule, injustice, misuse of power, corruption and disregard for human and civil rights (remember the property clause for the voting franchise which excluded the vast majority of Liberians?) Since then, the emphasis has gradually changed from advancing the rights of the majority of Liberians, to achieving "national unity and reconciliation". In order to achieve these, it has been necessary for the PRC not to be seen to discriminate against those very same "Americo-Liberians".

The extent to which this even-handedness has gone is the virtual reconstitution of the government apparatus which the PRC overthrew. Although the leading personnel of the government are obviously different — there is firstly the level of the PRC itself where former enlisted men have fairly quickly become five-star generals, and other senior ranks; secondly there is the civilian Cabinet of new faces — but the behind-the-scenes advisers have been recruited mainly from former True Whig Party circles. The best examples of how the old had become the new is the appointment of Wilfred Clarke as director of police (he was deputy minister of national security in the Tolbert government) and of Edward Massaquoi as chairman of the joint security forces. Until April 12, 1980, Massaquoi was head of the Special Security Service. These appointments were described as positive steps in national reconciliation, and according to the effusive *New Liberian*, proof of the PRC's "genuine determination to create national consciousness".

So in just over 27 months, the well-respected Head of State, Chairman of the PRC, Commander-In-Chief and Dr. S. K. Doe has laid the foundation for a new Liberia. The work of the constitutional drafting commission being at such an advanced stage — the draft completed, arrangements being discussed for mechanics of return to civilian rule — is only another sign of the good work that had been achieved in these two short years.

Except that little things happen to reveal other aspects of the climate of the times. The July 13 *Daily Observer* reported that two people were arrested and detained in Gbarnga, Bong County, on suspicion of plotting a counter-coup. The chief agricultural officer of the county spotted them "planning strategies, using foreign techniques and revolutionary tactics with intent to encourage subversion and overthrow of the PRC". In fact, the suspects, one artist from the Improved Efficiency of Learning school in Gbarnga, and a secretary to the regional agricultural officer of the county, were spotted copying from volume 12 of the *Encyclopedia Americana* as a contribution to someone else's history assignment on the causes and effects of the French Revolution of 1789. As a tribute to the prevailing rule of law and justice in Liberia, a prompt and thorough investigation by the commanding officer of the army battalion at Gbarnga resulted in the release of the suspects.

CSO: 4700/1698

MADAGASCAR

BRIEFS

VOLKMAR KOHLER ON ASSISTANCE--Madagascar is a country of extreme geostrategic importance. Anyone who takes pleasure in recalling that oil tankers from the Persian Gulf pass by the Cape of Good Hope, must take into consideration that the same tankers pass Madagascar first. Today the island is a nation hovering somewhere between autonomy and tilting towards the West or the East. A principal reason for that is Madagascar's enormous problems in arranging for life's most immediate necessities. Since the need is so infinitely great, relatively little aid in Madagascar can have relatively large effects. But its situation has also meant that after the departure of the French no "sponsor" has been found for Madagascar so far. Although the Soviet Union has considerable interest in the country's geostrategic position it apparently is unable to support the full onus of the country. The Madagascar regime itself is interested in nonalignment and opts chiefly for a zone of neutrality in the southern Indian Ocean. It is precisely the country's interest in genuine autonomy that affords a possibility of aiding it with meaningful development assistance on the path to true nonalignment. [Excerpt] [Interview with Volkmar Kohler, date and place not given] [Bonn AFRIKA-POST in German Jul 82 p 4]

CSO: 4720/18

FURTHER REPORTAGE ON CHIRWA TREASON TRIAL

Paris AFRICA AFP in English No 2919, 30 Jul 82 p 25

[Text] Blantyre, 29 Jul--Malawi opposition leader Orton Chirwa and his wife Vera, who have pleaded not guilty to charges of treason in a traditional court here, have been further accused of plotting to assassinate life president Kamuzu Banda.

The prosecution amended the indictment late yesterday to include the new accusation. The Chirwas have already denied charges of plotting to overthrow the government of Mr Banda, who is about 80 and has led Malawi since independence in 1964.

The defendants have not been allowed legal counsel under the country's traditional courts act.

Mr Chirwa, 63, who was minister of justice in the Banda government at independence but was dismissed in a cabinet crisis later in 1964, heads the Tanzania-based opposition Malawi Freedom Movement (Mafremo).

He and his wife, 49, were arrested last December 24. Malawi authorities say they were seized inside this country near the Zambian border, but Mafremo contends they were kidnapped from inside Zambia.

The state alleged yesterday that Mr and Mrs Chirwa had formed Mafremo with the aim of returning to Malawi to kill Mr Banda, government ministers and officials.

The Chirwas are alleged to have prepared a master plan for their operation and an oath of allegiance, and to have published and uttered "revolutionary words" in letters and on interviews with the British Broadcasting Corporation (BBC).

Five other men are charged with treason along with the Chirwas, but they did not appear in court yesterday. The trial was adjourned until next Wednesday.

The Chirwa trial is the third for treason to be heard by the southern region traditional court in Blantyre, consisting of five judges under the chairmanship of a tribal chief.

The first was that of former secretary-general Albert Nqumayo of Mr Banda's Malawi congress party in 1977. He was sentenced to death. It is not known here whether the sentence was carried out. Former youth and culture minister Gwanda Chakuamba was tried here for treason last year and got 20 years in prison. (AFP)

CSO: 4700/1694

SWAPO'S MILITARY STRUCTURE EXAMINED

Windhoek THE WINDHOEK ADVERTISER in English 6 Aug 82 p 4

[Text]

SWAPO's military wing, the Peoples Liberation Army of Namibia (Plan), is once more in the spotlight after alleged Swapo orders to kill Namibian politicians and to build up arms caches in the country.

According to military intelligence sources Swapo's highest operational headquarters, called its "Commanding Post," is situated in Lubango in south-western Angola, and the Defence Secretary is Mr Peter Nanyemba.

Mr Nanyemba is described as "the strong man behind Mr Sam Nujoma" by a former prominent member of Swapo and now leader of Swapo Democrats, Mr Andreas Shipanga.

Mr Shipanga says Mr Nanyemba is "utterly corrupt", selling clothes, military equipment, medical supplies and even food meant for guerrillas on the black market for his own pocket.

Mr Nanyemba treats the military cadres badly and is disliked by the guerrillas — he has never received military training as he is

scared he will lose his position while receiving training, Mr Shipanga says.

The operational head of Plan, Mr Dimo Hamaambo, is altogether different and constantly at loggerheads with Mr Nanyemba.

Mr Hamaambo is a seasoned and tough commander who received his military training in Algeria in 1963-64 and started planning immediately afterwards for the war in SWA, which started in 1966.

WELL-LIKED

He is well-liked by his men because he is "always with them at all times," Mr Shipanga says.

Besides the main headquarters in Lubango, there are three regional headquarters in Southern Angola, and one in South-Western Zambia.

The western regional headquarters is north-west of Camaha in Angola and is used for operations in western Owambo and Kaokoland. Its regional commander is Mr Uno Shaanika with the combat name "Kanana".

The central and eastern headquarters lie close to each other north-east of the Mupa reserve in Angola and their regional

commanders are respectively Mr Hamutenya Nandenga, combat name "Zulu", and Mr Ndakolo Mathias, combat name "Mbuluganga."

Regional headquarters are organised on a purely military basis, but each of the headquarters also has a political commissar with the same status as the regional commander who is responsible for the political activation of the cadres in his area.

Other staff at each of the headquarters include the chiefs of operations, reconnaissance and intelligence, staff, logistics, communications, transport, administration and finance, artillery and anti-air defence, and the chief of demolitions — whose department is responsible for the laying of landmines and sabotage.

There is also a secretary of the regional command council, the decisionmaking body of each of the regional headquarters.

The regional command council consists of the regional commander, the chief of staff, other departmental heads as well as the commanders of the fighting units.

COMMAND COUNCIL

The command council of the supreme headquarters in Lubango consists of the commander-in-chief of Plan, Mr Nujoma, its operational head Mr Hamambo, the defence secretary, Mr Nanyemba, as well as the chiefs of staff and operations and the regional commanders of the different headquarters.

It was a meeting of the Lubango command council on June 15 that Mr Nujoma allegedly gave orders that politicians be killed and that at "the time of the signing of the ceasefire mines must explode everywhere in Namibia."

Plan also has a special unit "Volcano" which is stationed 30 km to 35 km to the west of Lubango.

This unit was responsible for the deep infiltration of the White farming areas in April, and is also responsible for deep infiltrations into the country for intelligence and political purposes and "hard" intimidation, according to intelligence officers.

One of the documents given to the Press revealed the combat name of the commander-in-chief of Plan — "Comrade Tshfiishuna Nujoma."

CSO: 4700/1704

LUCIA HAMUTENYA POSSIBLY PICKED UP BY SECURITY POLICE

Windhoek THE WINDHOEK ADVERTISER in English 6 Aug 82 p 3

[Article by Karl Gowaseb]

[Text]

RUMOURS which abounded this week that a former Swapo Legal Affairs official had arrived in Windhoek were scoffed at yesterday.

When questioned as to whether the capricious Ms Lucia Hamutenya had broken her self-imposed three-and-a-half year exile and returned to Namibia from overseas, her aged parents, Mr Aaron Hamutenya and his wife, Laimi, said simply: "We know nothing about it. If she made it into the country, she definitely has not arrived at home yet."

The query was raised mostly by members of Swapo. A suspicion that Ms Hamutenya (a sister to Mr Hidipo Hamutenya) could have been picked up by Security Police on arrival has not been dismissed. A tight-lipped Security Police spokesman at the Ausspannplatz Headquarters referred The Advertiser to a Colonel

Badenhorst, who was out at the time of inquiry.

Ms Hamutenya left the country by train in January 1979, shortly after she was released from detention. She had a valid passport and left legally.

Before her departure, while being held under Section 6 of the Terrorism Act (with other members of the Swapo National Exco — shortly after the December 1978 Windhoek Swakopmund bomb blasts) she claimed Police ill-treatment during interrogation.

Although Ms Hamutenya did not skip the country, it is not known when her passport expires. Her parents said she is the second child that has gone overseas.

Ms Hamutenya was studying for a degree in law by correspondence through UNISA before she left.

Her parents received no letters from her during the past three years and could not say where she took refuge.

DTA-DAMARA CLASH COULD HAVE LEGAL IMPLICATIONS

Windhoek THE WINDHOEK ADVERTISER in English 3 Aug 82 pp 1-2

[Text]

POSSIBLE charges in terms of the Notification and Prohibition of Public Meetings Act against representatives of the DTA at a public meeting in Khorixas at the weekend are being considered.

This follows a disturbance involving a group of about 150 DTA supporters under the leadership of the Alliance's Chief Secretary Mr Johan de Waal and a crowd of Damara Raad officials and supporters on Sunday.

Although violence was limited to an isolated fist fight between one person from each party, use was allegedly made of motor barricades by both sides to block movement of the other party.

Conflicting reports by the Damara Raad leader Justus Garoëb and Mr De Waal were received by The Advertiser and the Attorney General's office this morning had not yet been notified of an investigation by Police at Khorixas nor had a docket reached Windhoek.

Police at Khorixas confirmed however that a complaint was filed and is

to be referred to the Attorney General in Windhoek.

It is known that the Damara Raad notified the authorities of its intention to hold a public meeting at Khorixas on Sunday, but Mr De Waal told The Advertiser this morning that the DTA did not seem it necessary to notify the authorities of a DTA meeting in Khorixas since the group of Alliance supporters simply attended the Damara Raad meeting and did not hold their own meeting.

INTIMIDATION

Mr De Waal explained that the DTA group had held a meeting at Usakos on Saturday, and continued reports of intimidation of DTA supporters in Khorixas by the Damara

Raad, led to a decision to attend the Damara Raad's meeting the next day on behalf of resident DTA supporters at the Damara Raad stronghold.

According to Mr Justus Garoëb, leader of the Damara Raad, as well as Mr Barney Barnes, leader of the Labour Party who was guest speaker at the Damara Raad meeting, the DTA group made use of loud hailers and a blockade to disturb the Damara Raad meeting.

Mr De Waal, on the other hand, alleged that Mr Barnes had at one stage threatened a group of women DTA supporters with a gun.

Exactly what happened during the day is not clear, but some of the facts known are:

- The Damara Raad's meeting scheduled to begin at 2 pm did not get off the ground till about 6 pm because of disturbance by the DTA group.
- The DTA group made use of loud hailers "to make our interjection heard," according to Mr De Waal.
- A Damara Raad procession was scheduled for the morning.

● The DTA group arrived in three buses and two Kombis at 10 am.

● Heated exchanges took place between the two groups during the time of the procession.

According to Mr Garoëb, there were about 2 000 DR supporters present.

Allegations by Mr Garoëb and Mr Barnes state that:

● The DTA group obstructed the path of the DR procession with a motor barricade

● The DTA group demanded that Mr Barnes leave the DR platform, and then they would leave.

● The DTA supporters present were not from Khorixas but from Windhoek and were mainly Herero speaking

Allegations by Mr De Waal against the Damara Raad include:

● Widespread intimidation of the DTA supporters in Khorixas during the preceding week. "DTA supporters were warned that anyone who raised his hand into the air to make the DTA sign in Khorixas would be hit," Mr De Waal said.

● The DR blocked main thoroughfares in Khorixas with vehicles to deny access of the DTA group arriving from Usakos — without success.

Mr Garoëb said Police witnessed the 'disturbance' without acting.

"I had to go out of my way to restrain my supporters and avoid more trouble," he added.

The DR leader said he would file an official complaint to the AG, against the apparent privileges the DTA enjoyed above the law.

According to another account, the DTA group started its own procession to divert attention from the DR's, before the meeting.

Both Mr Barnes and Mr Garoëb mentioned the playing of loud music and singing of DTA songs at the DR meeting.

They also said the DTA group was largely armed with rubber batons and some with guns.

As guest speaker, Mr Barnes said he was to inform the people of the coming election and progress made in the international negotiations on Namibia.

It was planned to be a peaceful meeting, but the DTA caused the disturbance.

Mr De Waal, on the other hand, said the events on Sunday led back to a meeting of the DTA's

Women's League in Khorixas the previous weekend.

Although that meeting went off smoothly, the following week saw intimidation of DTA supporters in Khorixas. During the course of last week the DTA continuously received telephone calls from its intimidated supporters in Khorixas.

When these persisted, it was decided to proceed to

Damaraland after the DTA's Usakos meeting to make a show of strength on behalf of its Khorixas constituency, Mr De Waal said.

"We will continue to do this in Khorixas until the Damaras are free to vote for whom they please," said Mr De Waal after he described alleged attempts by DR members who, as officials of the Damarara second-tier, try to force people to vote for the Damara Raad.

WESTERN LINE SAID LOADING DICE AGAINST NAMIBIA

Windhoek THE WINDHOEK ADVERTISER in English 3 Aug 82 p 4

[Article by Bill Hulme in column "Firing Line...": "The True Immorality"]

[Text]

TWO WEEKS we intended spending on the banks of the Chobe and the Zambesi.

"But the negotiations are at a crucial stage... etc, etc. How can you just go on holiday to Botswana and Zimbabwe?"

You won't see a newspaper ... you'll be completely out of touch, a concerned friend was telling me.

MISSED NOTHING

In the end we did spend the two weeks outside the borders of sunny Namibia, sleeping in the bush and blissfully out of touch with all the great "developments" stage-managed by the so-called Contact Group.

And then we came back, somewhat more than a week ago... to find that we've missed exactly nothing.

In other words, if ever you have the choice between a bundu bashing Botswana holiday and waiting in Windhoek for THE BREAK-THROUGH, well...

FOUR MONTHS

This is the first "Firing Line" in four months, after at the end of March I asked the editor just to give me a break for a while. Its a break I enjoyed, but I'm back to writing politics now.

So, obviously one asks oneself, "Four months, what's happened?"

That, however, is the sad part. One can joke about two weeks of "hot air and nothingness." But four months....

SERIOUS?

It reminds me of a favourite remark of Sam Nujoma's when he is reproaching some of his fellow travellers, "Comrades, you are not serious... People are dying and you're not serious!"

One feels like quoting Mr Nujoma to both the Contact Group and the South African Government.

SELF-INTEREST

Oh, certainly the Contact Group is serious about some of the implications of this "Namibian independence dispute" that's

been dragging on for decades. But these are the implications for themselves... and their own influence on our troubled continent.

The interests of the Namibian people as such are rapidly disappearing in the haze of obscure diplomatic phraseology and blatant double-dealing that's rolling over us.

INSULT

And to add insult to injury, in Windhoek arrived Mr Hans Vergau, a quite unknown backroom operator from the department of foreign affairs in Bonn, as leader (Sic!) of the Contact Group's delegation... the man who's to conduct "talks" with the democratic parties in Namibia.

Then, one of the first things he tells the DTA delegation is that there are aspects of the Contact Group's "negotiations" with Swapo that are so sensitive that they are "secret". Dirk Mudge is not to know about these things...

Are they really "serious?"

HASSLE

The DTA, after all, the only Namibian party which did in fact prove substantial support at the polls.

Now add this: Mr Vergau continues to tell the democratic parties that they just shouldn't hassle, everything is being taken care of by the Contact Group, in fact everything is just fine and there exists a "historic opportunity" to solve the dispute once and for all... Just don't ask anything on the lines of what, when, where and how.

RIDICULOUS

This gentleman must be the worst "salesman" in the diplomatic community... I'd be willing to put up my last Windhoek Lager that he won't sell a single drop-side Ford in the entire Owambo.

This is ridiculous...if the

guy was sent here to "build confidence." But maybe he wasn't and the purpose of the exercise was simply to show muscle and let the "locals" know who's calling the shots.

GIVE UP

How long do we have before the people of this country finally give up on the lop-sided brand of "democratic elections" they are now being press-ganged into by the Contact Group?

In his memoirs Dr Henry Kissinger sadly reflects that "American impotence in the face of aggression could have wider, and catastrophic, consequences."

"And the horrible fate of the peoples of Indochina — the mass murders, the concentration camps, the political repression, the boat people — is now rendering a final verdict on whether it was our resistance to totalitarianism, or our abandonment of our friends, that was the true

immorality of the Indochina conflict."

KISSINGER

"Resistance to totalitarianism" is the crux of the Namibian independence issue at this point in time. But it seems that the Contact Group, would much rather opt for the way of least resistance.

See, it's much easier to push around the unarmed, than to push around the comrades with the AK's and the 20 000 "military advisers" from Cuba. That is, in Kissinger's words, "the true immorality" of our situation.

FATE

If this latest "initiative" ever comes off the ground, only one thing will be certain... Namibia will be heading for a very uncertain fate after elections in which the dice will be heavily loaded.

And in the haze the Contact Group is working up, we won't even have a hope in hell of figuring out the odds.

CSO: 4700/1704

LATEST WESTERN NEGOTIATIONS STERILE, SAYS TOP ANALYST

Windhoek THE WINDHOEK ADVERTISER in English 6 Aug 82 pp 1, 7

[Text]

**TRUE INDEPENDENCE for SWA
in the short term seems to be little more
than a pipe-dream.**

That is the conclusion of Dr Kenneth Abrahams, one of the country's most astute political analysts.

Writing in the latest edition of the Namibian Review, Dr Abrahams suggests that the country is heading rather towards an internal settlement backed up by a US and SA arrangement.

"Very little progress in the direction of even formal political independence has been made over the past year or so, that is, ever since the start of the current US-led Western five initiative", he says.

"Independence, although inevitable in an historical sense, and as desirable as ever, is not yet in sight. There does not seem to be any light at the end of the tunnel. While there has been a great deal of frenetic activity, mainly diplomatic, this mostly represents turbulence rather than progression in the direction we desire. This has been accompanied by an irrational and purely synthetic optimism created by the US State Department.

"Insofar as certain problems standing in the way of an early implementation of the UN settlement plan have been solved, these solutions have invariably been in SA's favour and have brought us even closer to a neo-colonialist arrangement," Dr Abrahams argues.

"The SA Foreign Minister has recently referred to independence any time between the next 18 months and three years, which, in our interpretation, means not in the short-term but possibly in the medium-term. He (Mr Pik Botha) should have added, although it was implicit in his statement, provided that SA's essential pre-conditions have been satisfied. This is therefore about as accurate an assessment as can be made, at this time, on the most probable date for independence."

KEY

Dr Abrahams says he supports the view of the Rev Maxine Rafransoa, Secretary of the All African Council of Churches, who remarked:

"The Western countries have said that SA is the key to a successful settlement in Namibia. We told them that they had the equation backwards. The Namibian people are the key. SA is the lock."

Dr Abrahams argues that the main direction of the present negotiations is towards a broad neo-colonial settlement whereby SA, supported by the US, exercises domination over the sub-continent.

"Nothing that has transpired in the period under review indicates that this general thesis is incorrect in any way," he says.

"The process of 'negotiating colonialism' continues as before. In the meanwhile SA has introduced two new factors which are undoubtedly complicating matters considerably. They are, firstly, the demand for the prior withdrawal of Cuban troops as an essential prerequisite for SA accep-

tance of the UN Plan and secondly, the stated intention to hold 'internal elections' in March 1983. These elections would not be held under UN supervision and the government chosen would not receive international recognition. This would pave the way for an 'internal settlement' or Namibian UDI and an indefinite postponement of the implementation of UN Security Council Resolution 435."

Dr Abrahams points out that several spokesmen for the US have stated that there is a close geographic and political inter-relationship between the Namibian and Angolan questions and that the two 'must be addressed and resolved in tandem.' They stress that the US is seeking an overall regional solution rather than one confined to Namibia. Besides, President Ronald Reagan has an election to contest in two years time and Cuban withdrawal would add considerably to his image as the man who is turning the tide against the 'communist menace' or

'Soviet expansionism'.

Turning to the effects of the protracted process on the internal parties, Dr Abrahams says the longer the negotiations last, the more these parties will be driven into oblivion.

"History has already passed judgment on most of them and all that remains is for some kindly physician to come along and administer the political equivalent of euthanasia," he adds.

And discussing Swapo's position, he remarks: "Regretably we appear to be repeating historic mistakes by accepting a situation in which Namibian parties are pitted against one another instead of working towards a new realignment of forces in which we will turn our swords on the combined forces of imperialism and neo-colonialism.

"Whatever its historical justification, UN recognition of Swapo as the sole and authentic representative has had the objective effect of dividing the independence movement into Swapo versus the Rest

(now referred to as the 'internal parties'). But not all the internal parties are stooges or running dogs of SA colonialism. The policy of allocating sole-authentic status has been the major obstacle to national unity ever since."

In the conclusion to his article Dr Abrahams in fact pleads for true democratic national unity and suggests that a Namibian all-party conference (Lancaster House) be called "at which Namibians can learn to know and understand each other and, together, work out their common destiny."

"National unity is imperative if we are to avoid the perils of civil war or deliberate destabilisation. Those who are too arrogant to learn this lesson from contemporary events or from history should take another look at Angola, Zimbabwe and Mocambique while there is still time for us to repair the damage caused by far too many years on inter-tribal and inter-party rivalry," he says.

CSO: 4700/1704

BRIEFS

WALVIS BAY CONSTRUCTION--Railway Construction (Cape), a part of the Racec Group, has been awarded a contract for the replacement of existing crane and rail lines with a new rail network designed to service the soon to be expanded quay wall at Walvis Bay Harbour. The main contractors on the project, Underwater Construction, have already started work on the all-concrete reconstruction of three berths in an existing seven-berth quay wall at the harbour. The project involves reconstructing the wall berth by berth so as to allow for a minimum interruption of normal ship handling activities. In accordance with this need, Railway Construction will be required to rip up the old crane and railway lines stage by stage, replacing them with the new network required to meet future cargo demands at the harbour. All the rails will be laid within concrete decks and Railway Construction will also be responsible for resurfacing the marshalling and loading areas. The entire project is due for completion towards the end of 1983. Railway Construction (Cape) recently expanded its activities to encompass road construction in addition to its normal rail construction operations. [Text] [Windhoek THE WINDHOEK ADVERTISER in English 6 Aug 82 p 18]

CSO: 4700/1704

BRIEFS

URANIUM MINERS STRIKE--Niamey, July 21--Workers at a uranium mining and treatment centre at the Saharan town of Arlit, 1,500 kms (about 900 miles) north of here, went on strike today, a trade union source in Niamey said. Some 1,580 workers of Niger's mineworkers union at the Akouta mining company (Cominak) works were involved, and production had been halted, the source said. The strike, which began at the company's headquarters in Niamey on Monday, is over acute differences between the workers, who are Niger nationals, and the French head of personnel, a trade union source said. The workers were demanding the official's removal and his replacement by a Niger citizen, the source said. The conflict comes amid dissatisfaction by workers over their conditions compared with those of foreign personnel at Arlit. Foreign management staff at the Cominak works, mainly French number about 240. The general secretary of the country's trade union federation, Boureima Mainassara, was expected to meet mining and industry minister Oumar Diallo in Niamey today to try to find a rapid solution to the dispute. (A.F.P.) [Text] [Paris AFRICA AFP in English 23 Jul 82 p 11]

CSO: 4700/1633

SHAGARI SEEKS DISCIPLINED, TECHNOLOGICALLY ADVANCED ARMY

Kaduna GASKIYA TA FI KWABO in Hausa 10 Jul 82 p 1

[Article: "Nigeria's Troops Can Take on Any Military Force"]

[Text] The federal government will do its utmost to provide the nation's troops with traditional-type tough officers.

President Shehu Shagari made this remark last Tuesday when he attended a week-long military officers' training and combat exercise here in Kaduna.

He said that only increased discipline would soon turn out traditional-type tough officers for the nation's troops.

The president cautioned, however, that the better officers turned out this way would have to continue to turn out even better officers since civilians were footing the bill for those officers.

He went on to say that he would not tolerate anyone saying that Nigeria had failed to keep up with modern technology and that we have to maintain the reputation we enjoy both in Africa and in the rest of the world.

He reminded the armed forces of their responsibility for improving the status and reputation they enjoy in the country.

CSO: 4797/25

NIGERIA

BRIEFS

AKINTOLA ON OIL DEPENDENCE--Federal deputy minister of finance Yomi Akintola said that Nigeria's dependence on oil was seriously undermining the country's economy. Akintola made that remark at Maiduguri airport shortly after his arrival at Maiduguri for a working visit. He said Nigeria should promote the development of agriculture and light industry. Speaking in the office of the governor of Borno state, deputy minister Akintola said he would like to see the cooperation between federal and state revenue authorities improved. In his statement, governor Goni said that although the country's economy was faltering he had set up a committee to explore ways of maintaining the state's revenue collections. [Text] [Kaduna GASKIYA TA FI KWABO in Hausa 27 Jul 82 p 12]

MUSLIM ELECTION REGISTRATION CALL--In his message to the Islamic community of Nigeria, marking the end of Ramadan, Muslim leader Alhaji Sir Abubakar III called on the Muslim population, one and all, to go register for the upcoming election. [Excerpt] [Kaduna GASKIYA TA FI KWABO in Hausa 29 Jul 82 p 10]

NEW FULANI ORGANIZATION--All the Fulani and other herders of the Pauwa region (Kankara) have joined to form a new organization called "Almubarakatu Yalwa Miyatti Allah." At a large assembly of the organization in Kankara yesterday, in his keynote address, Kankara's Pauwa sarki, Alhaji Muhammadu Lawal, called on members not to let religious or political differences creep into the organization's activities. [Excerpt] [Kaduna GASKIYA TA FI KWABO in Hausa 31 Jul 82 p 12]

CSO: 4797/24

DEMOCRATIC CHANGE IN POWER REPORTED TO BE UNLIKELY

London WEST AFRICA in English No 3391, 2 Aug 82 pp 1984, 1985

[Article by Adama Gaye and Mark Doyle]

[Text]

DEMOCRACY in Senegal is heading for its biggest test yet in the form of Legislative and Presidential elections in March 1983. Throughout the country, and particularly in the principle political milieux, electoral swords have already been drawn and all eyes are fixed on next year. Political consciousness and polemical debate are reaching a pitch unknown since the heady days of early independence.

The elections will be the first since the retirement at the end of 1980 of Léopold Sédar Senghor. The Senegalese will be choosing a President and 120 Deputies for the National Assembly, as opposed to 100 previously. Thirteen parties will be joining what promises to be a violent battle for votes, though it is hoped, and confidently expected, that the violence will only be verbal. In fact the principle contenders are the ruling *Parti Socialiste* and the various opposition parties. On a continent where one party states dominate, the Senegalese experience is one of critical interest.

But the democratic experiment didn't start yesterday. It was in 1974, during that year's OAU Heads of State Summit in Mogadishu, that former President Senghor

announced his decision to install limited multipartyism in Senegal. The announcement was soon put into practice, with the formal birth of the *Parti Démocratique Sénégalais* (PDS), led by Maître Abdoulaye Wade and, later, the re-birth of a faction of the *Parti Africain de L'Indépendance* led by Majhmout Diop.

Once the lid had been thus lifted, there was no stopping the ensuing political starburst, whatever Senghor's short term intentions of restricting the experiment to four lines of political thought (Liberal, Socialist, Conservative and Communist). The demands for further liberalisation got louder after the 1978 elections, which returned to power the *Union Progrésiste Sénégalais* (UPS), which had changed its name to *Parti Socialiste* (PS). The demands for total political liberation in 1978 confirmed the near impossibility for the regime in power of holding back the emergence of new political parties. After the 1978 elections, the Conservative party was recognised. It was the *Movement Républicain Sénégalais* (MRS) led by Boubacar Diop.

However, Senegal had to wait for the departure of Senghor from the Supreme

Magistrature before the political *ouverture* could become complete. On April 1, 1981, the Ministerial Cabinet, chaired by Abdou Diouf, adopted a draft Bill revising Article Three of the Constitution which then limited the number of political parties to four. Nine new parties have since been recognised by the Ministry of the Interior and a plethora of polemical newspapers are now openly available.

This brief résumé shows how important the 1983 elections are. The future of Senegalese democracy is at stake, and all of Black Africa will be watching with interest. The recent excitement aroused by changes in the Electoral Code is ample proof of the extent to which political consciousness has been heightened in Senegal. The Code was prepared with the assistance of West German political consultants. It has been approved by Deputies of the PS but contested by all of the opposition parties.

The following parties have been recognised by the Ministère de l'Intérieure as *bona fide* political parties:

- Parti Socialiste (PS); Leader, Abdou Diouf.
- Parti Démocratique Sénégalais (PDS), Abdoulaye Wade.
- Parti Africain de l'Indépendance (PAI), Mahjmout Diop.
- Mouvement Républicain Sénégalais (MRS), Boubacar Gueye.
- Rassemblement National Démocratique (RND), Cheikh Anta Diop.
- Mouvement Démocratique et Populaire (MDP), Mamadou Dia.
- Mouvement Révolutionnaire pour la Démocratie Nouvelle — And Jef (MRD), Landing Savane.
- Ligue Démocratique — Mouvement pour le Parti du Travail (LD-MPT), Babacar Sané.
- Parti de l'Indépendance et du Travail (PIT), Amath Dansokoh and Maguette Thiam.
- Union pour la Démocratie Populaire (UDP), Hamédine Racine Guissé.
- Parti Populaire Sénégalais (PPS), Oumar Wone.
- Organisation Socialiste des Travailleurs (OST).
- Ligue Communiste des Travailleurs (LCT).

Broadly, the new Code fixes the conditions and methods of voting. Voting is open to "all Senegalese over the age of 21 in possession of their political and civil faculties and not exempted by any legal incapacity". Between November 16, 1981 and February 5 of this year only 54,000 new voters registered. In the 1978 elections 1,556,250 voters were registered. It is estimated that the national constituency is now 2m. voters. The slow rate of registration up to February was taken as evidence by the Opposition of a lack of faith in the system. But recently, the pace of registration has quickened, reflecting a healthy interest in political affairs. Official sources put the latest number of registered voters at 1,923,483, which means 327,144 new voters since the 1978 elections (taking account of deaths and those excluded for legal reasons).

The voting, under the new Code, will be the responsibility of local administrations (Regional Governors and Prefects). These administrators will designate a President, Secretary-General and Assessor for each Voting Bureau. The Opposition claims this takes away from the political parties power to oversee the vote.

The code increases in the Legislative vote the number of Deputies to 120 from 100 before. Half of the Deputies will be elected by "first past the post" at a departmental level and half by "proportional representation" at a National Level. There are 30 electoral Departments, some of which have more than one Deputy elected by both systems.

Taking the Departmental level, first-past-the-post system, first; it is claimed that this will favour large political groupings, of which there is just one, the *Parti Socialiste*. A small simple majority on the Departmental list — in fact both lists will be on the same ballot paper — will ensure winning all the seats available in that Department (*Circonscription Electorale*). Repeated nationally, a shade over 50 per cent of the vote on this list would ensure 60 seats at the National Assembly for the PS. This tendency is exaggerated by the fact that most of the Departments will have a right to more than one representative on the list. Thus there is not much hope for small parties — who are relatively unknown and disorganised in the regions — winning representation via the Departmental list.

A recent communiqué from the PDS said: "The combination of two methods could give three quarters of the seats at the National Assembly to a party which won just 50 per cent of the votes — all of the 60 local seats on the Departmental list and 30 of the seats on the National list. This would clearly be a great injustice".

In fact slightly more than 50 per cent of the votes would be required for this to happen. But it is true that the PS would only require a small Departmental majority to win all of the Department list seats. A small majority on the National list would then ensure a comfortable majority at the National Assembly. The PS is in any case likely to do better at the national level because of its national presence via, it must be said, the local administrations who will be overseeing the vote.

If you find this complex, imagine how the average peasant in Matam or Velingara will feel when confronted by the ballot paper! It is likely that he or she will only have heard of the PS or the now largely discredited PDS (*West Africa*, October 5, 1981). It has also been alleged that the public voting system — voters will be able to vote in view of officials — would favour the PS. The officials at the Voting Bureaux — most of whom are likely to be PS supporters — would "help" illiterate voters.

The Presidential elections are a world apart from the Legislative elections. Although Abdou Diouf has yet to present himself formally as the candidate, it is

confidently understood that he will be the man. No other party has so far presented a candidate, probably because they realise the impossibility of winning the contest. Diouf's popularity is impressive; it rests on a remarkable ability to be seen to do what the opposition demands. One need only cite the wiping out of peasant debts in 1981, the closing down of the corrupt State buying agency "Oncad" and even the *ouverture* itself to prove this point. There is only one possible President.

The fight for the use of the public media, the Office de Radiodiffusion Télévision Sénégalaise and the daily paper, *Le Soleil* — has been won by the *Parti Socialiste* (was there ever any real competition?) Under the new Code, fifty per cent of the airtime and column inches devoted to political propaganda would be set aside for the opposition parties and the other half would be reserved for the "ruling parties" (ie The PS). But talk of coalition is in any case highly theoretical when, in the opposition camp, ideological dogma would probably rule out such an option. Also, coalitions are, formally, illegal before the elections.

For all of these reasons it is questionable whether a democratic change in political power is possible in Senegal in the short term. It has been admitted by Government ministers that the Code is designed, in any case, to ensure "Stable Presidential Government." This Electoral Code has clearly been designed by the PS with a win in mind. All is fair in Love and War, and even in Politics.

CSO: 4700/1698

BRIEFS

FORCED CONSCRIPTION--Reports from the capital, Mogadishu, say that dictator Siad Barre and his clique are now engaged in the forced conscription of people, to counter the armed forces of the Democratic Front for the Salvation of Somalis [DFSS]. Reports add that Siad Barre has made threats to civilians, ordering them to produce 200,000 conscripts among school students, factory workers and civil servants. The tribal (?lackeys) have been forced to carry out this exercise. Those who have enriched themselves as a result of Siad's rule are being forced to pay the salaries of the new recruits. Once again the DFSS would like to remind the parents of students not to gamble with their children's lives and wishes to state that the parents will be held responsible for the crushing of these students on the battlefield. [Text] [EA141458 (Clandestine) Radio Kulmis in Somali to Somalia 1800 GMT 13 Aug 82]

BATTLE REPORTS--The DFSS [Democratic Front for the Salvation of Somali] fighters of 15th Gorob Division have crushed the enemy forces who tried to recapture the division's defense lines. Latest reports from the battle front say the forces of the Siad Barre regime lost 435 officers and men and suffered innumerable wounded. The 15th Gorob Division fighters captured 32 prisoners from the Siad Barre forces who had attacked areas liberated by the front. The 15th Gorob Division fighters also captured six Fiat armored vehicles, four jeeps and one V-8 Landrover, and destroyed seven tanks, seven armored vehicles, seven jeeps, four trucks and two Mig-19's made in China. According to the reports, the DFSS 15th Gorob Division lost two men. [Text] [EA131416 (Clandestine) Radio Kulmis in Somali to Somalia 1800 GMT 12 Aug 82]

Challe (Ilyas Awaleh), our reporter in Wardair District and a reporter for the Somali ABO Liberation Front, reports that the heroic Western Somali Liberation Front Freedom Fighters launched a surprise attack on Abyssinian colonialist forces stationed on the outskirts of Wardair. The heroic WSLF fighters killed 60 Abyssinian troops and wounded many others. The freedom fighters also destroyed several enemy vehicles. The report adds that 6 were martyred and 27 others were wounded. The report further discloses that the Abyssinian colonialists are harrassing the western Somali inhabitants and looting their property. The looting is thought to be in retaliation for reverses suffered in their war with the Somali Democratic Republic. [Text] [EA121644 (Clandestine) Voice of Western Somali and ABO Liberation Fronts in Somali to Western Somalia 0930 GMT 12 Aug 82]

BOTHAS SPEECH IGNORES BLACKS; SIMPLISTIC APPROACH HIT

Johannesburg SOWETAN in English 2 Aug 82 p 4

[Editorial]

[Text]

THE GREAT moment in the history of South Africa came and went on Friday night. It was considered that the Prime Minister's speech at the Federal Congress of the National Party in Bloemfontein would give us an indication just where he proposes to lead South Africa.

Throughout his speech, Mr Botha spoke as if there were no blacks in this country. He tried to give the impression that for any political system to work, all that was really needed was to rope in the Indians and the coloureds. With this formula, everything would be fine, and everybody in this country would live happily ever after.

The whole approach sounded as simplistic as those who predicted the great success of the homelands system when it was first initiated. Indeed, even up to now, it seems the Government is refusing to accept that no political dispensation that excludes the majority of the people in this country can work. Others

have failed, and the "new" approach is almost as sure to fail.

What Mr Botha needed to do was get to grips with the problems this country faces in a more realistic way. However, as usual, Mr Botha was apparently worried about what the reaction from the remaining conservatives in his party would be. They needed to be reassured that there would always be white domination. Mr Botha did just that — and came away victorious. But South Africa is no better off for this.

For the moment, National Party unity seems to be holding. We do not believe that anybody will take seriously the suggestion by Mr Jaap Marais that Mr Botha is leading the country towards integration.

And so, South Africa's great day turned out to be just another damp squib. There is more division than power sharing. And the blacks have been relegated to the political games of the homelands. Does anybody really think it will work?

INDIAN MERCHANT COPE WITH DISCRIMINATORY LAWS

Johannesburg RAND DAILY MAIL in English 24 Jul 82 p 5

[Article by Lin Menge: "No Easy Road to Success for This Man of Business"]

[Text]

Ebrahim Kharsany refuses to be compromised by the shadowy world of fringe-trading and nominee-ownership into which Indian business has been forced in South Africa.

Neither he nor his group of companies would dream of using white nominees: what they own is in their own name and the balance sheet must reflect all their assets.

Such an open approach does not make entry any easier into a white business world "closed" to Indian occupation and ownership.

Should Mr Kharsany's Corporate Group one day be able to buy out a quoted property company on the Johannesburg Stock Exchange, the Government could step in and prevent them owning any of the property belonging to that company.

The Corporate Group is South Africa's largest black-controlled financial and investment house. It has twice been refused permission to open premises in the central business district of Johannesburg and was at one stage forced to use makeshift offices in part of a community hall. The group had wanted to move to the CBD so as to be able to bring all its operations under one roof. Because they would not move in illegally or use a white nominee, the group's offices are still today scattered about Fordsburg. Still, Mr Kharsany was invited to the Prime Minister's Good Hope conference.

What would happen if, as organised "white" commerce in central Johannesburg has requested, the central city was open to business ownership and occupation by all races? Would Indians buy up half the town?

"No," says Mr Kharsany, always prepared to pour the cold water of reason on emotionally inflamed questions. "The number of Indians engaged in trade in South Africa forms less than 8% of the total Indian population. Secondly, we don't have financial institutions with the kind of muscle to buy vast sections of the CBD.

"Opening the city to trading by all races would merely formalise and legalise an informal, illegal situation. Traders could get rid of their nominees, which would reduce both their overheads and the risk factor in their business."

His own group is trying to fight the inherent weakness in the Indian community which has retarded both the growth and expansion of business. This weakness is due partly to the fiercely individualistic, family nature of Indian business, and partly to the restraints imposed by Government. For example, in a typical dorp a small plaza might be provided for 50 Indian traders. A 51st trader would then have nowhere to go, the existing traders would have nowhere to expand, and the plaza in the next town would also be full.

Yet he does not fear the effect white competition would have on small black traders in an open trading situation. Black traders must then get together to fight that competition, he says.

Today the Indian who has been forced out of the one-shop situation takes degrees in commerce and accountancy and seeks jobs with big white corporations. At first these corporations appointed other races mainly to impress their overseas shareholders, says Mr Kharsany, but now they do it because there is an acute lack of trained manpower.

But it wasn't because white business wanted to do the right thing by black business. On the contrary they have been content to take advantage of Group Areas legislation. When the Government bought out Indian traders for next to nothing the whites were happy to buy up those premises, built up from nothing by the Indians, and move in.

"It amuses me that the offspring of the Industrial Revolution and of Adam Smith have helped implement legislation that is anti-trade. They support free trade in Britain and the United States but when it hits

their pockets at home and they find some people trading are of a different colour, then they support legislation to stop them trading."

So cynical and bitter? "I have worked for large organisations, and I have heard the difference between what they do and what they say.

"As an employee I have occupied large offices, with all the trappings, with no questions about my colour and no permit, but as an employer, suddenly, it's no deal.

"Black money has built up the CBD, yet we are not allowed to occupy premises there. Money from black communities has gone into building up banks and building societies — 40% of the premiums of life insurance companies now comes from blacks. It is going into building new city blocks, not into our areas. I don't know of a single shopping centre, Indian, coloured or black, that has been put up by an insurance company, yet every white town has its SA Mutual and Sanlam buildings and so on.

"When I raise this with MDs they say they invest where they get the returns — but of course they don't talk about their investment in Glen Anil or Corlett Drive. I say they would both get their returns and, in the absence of open trading, perform a great social function in providing amenities for black clientele and traders, but no, they prefer the status quo."

If he doesn't like it here, why doesn't he go back to India/England/Germany or wherever? The old abusive question brushes off Mr Kharsany like dust off his neat grey suit.

"I am South African. I live here with the problem. It wouldn't solve anything if I went to India."

Not that he regards himself as South African in the patriotic sense. Sure it's a beautiful country, but "patriotism" could only come with a complete extension of rights — which, incidentally, is not something he expects to come via the President's Council.

"I believe in real power-sharing, and I mean power-sharing, not the healthy variety, or otherwise, which we have heard described."

If he has an ideal, it is to see people regarded as people, so that there may be a move to a fair and just society.

Integration must not be a one-way street. He would like to see the creation of more multiracial boards, but that should, for example, mean appointing white directors, on merit, to Indian companies, as well

as appointing Indians to the boards of white companies.

The son of a commercial traveller, young Ebrahim sold chickens as a school-boy in Standerton to earn pocket money.

Later he sold encyclopaedias and life insurance to pay for a BA and B Comm at his "tribal college", then he was accepted for an MBA at the University of the Witwatersrand, and he is now working on a PhD on management — the central hypothesis being that different cultural groups produce different management systems.

"You can study accounting but the grasp of business must come from within — I have great respect for the millionaires with no schooling, the many people in my community who have no formal education."

Now 38, a slight, tense figure in an austere office, he works 16 hours a day as managing director, some of it in Durban, where, as in Fordsburg, his group is moving strongly into property. They are negotiating with a major construction company to take advantage of new development opportunities.

Mr Kharsany is an avid reader of the classics, having majored in English, but he has little time for leisure.

He studies religion, frequents the mosque a great deal and takes his inspiration, his guidance and his discipline from the Islamic faith.

His group keeps out of anything involving the earning of interest. The reason is that Islamic law makes no distinction between usury and interest. Investors must be active partners in business ventures, not money-lenders. Shares and direct holdings in property are allowed because there is an element both of ownership and of risk, but simply putting money on fixed deposit to earn interest for which you have not worked is not permissible.

Mr Kharsany is involved in negotiations with Government for the establishment of an Islamic Bank, to be run on these Islamic principles.

At the end of the day Ebrahim Kharsany returns to his wife and two young children — in Pageview, currently being demolished for white occupation. He is secretary of the Save Pageview Association and set for a long legal battle to retain Indian occupation.

There is no secure perch, it seems, for this highly-educated, hard-working, sober-living businessman. That is why he shatters your own cosy white security with his reaction of profound contempt.

AUTO PRODUCTION HALTED BY STRIKES

Johannesburg THE CITIZEN in English 7 Aug 82 p 13

[Article by Jentje Knuppel]

[Text]

VIRTUALLY all vehicle production in the Eastern Cape ground to a halt yesterday when Black members of the National Automobile and Allied Workers' Union laid down tools and walked off their jobs in the sixth major wildcat strike to hit the area in 23 days.

General Motors shut down its Port Elizabeth plant at about noon yesterday after Blacks left their jobs and made operations impossible to continue.

Armed Police stood by at both Ford and GM plants as the workers walked out.

Earlier in the day, at about 9 am, thousands of Ford employees laid down tools at the company's truck and Neave plants, also in Port Elizabeth.

A company spokesman said Ford's re-

maining two plants — engine and Cortina — stayed open, but it is understood that unless production at the truck and Neave centres resumes on Monday, the other plants will also be forced to close.

Volkswagen's Uitenhage plant was also shut. It has been closed since Tuesday, when a continuing go-slow by workers made assembly-line production uneconomic, and management sent its employees home.

The latest walk-outs at General Motors and Ford have come after renewed efforts by the firms to reach a wage agreement with NAAWU's executive.

Employers represented on the motor manufacturing industrial council upped their wage offer to NAAWU on Thursday, increasing their initial mini-

mum hourly wage rate proposal by 5c to R2,20. Black workers at the

three Eastern Cape motor firms receive R2,00 a hour at the moment, on the lowest grades.

Some of the motor firms are now believed to be reaching the end of their tether and are considering moving their plants from the Port Elizabeth area entirely.

Meanwhile NAAWU has announced that a wage agreement with the Car Distributors Assembly plant in relatively trouble-free East London has been reached.

NAAWU has accepted a CDA minimum hourly wage offer of R2,15 with the proviso that pay will be increased again in six months' time.

The agreement will last a year.

INQUIRY INTO FORT HARE DISTURBANCES DEMANDED

Johannesburg THE CITIZEN in English 7 Aug 82 p 9

[Text]

CAPE TOWN. — A commission of inquiry into the disturbances at Fort Hare University should be appointed without delay, the chief Opposition spokesman for education and training, Dr Alex Boraine, said in a statement released in Cape Town today.

Dr Boraine, the Progressive Federal Party MP for Pinelands, said the disturbances at the university during the past few days were disturbing and serious and for that reason he has sent a telegram to the Minister of Education and Training asking him to intervene immediately and to appoint a commission of inquiry without delay.

"I have also requested the Minister to reverse the decision to dismiss a large part of the study body, thus enabling the students to return to Fort Hare in order to continue with and complete their studies.

"The allegations which continue to flow from Fort Hare suggested that the rector has lost control and has made statements and

decisions which would be more appropriate at a reformatory than at a university.

"Clearly many staff members, both Black and White, do not support the desperate actions taken by the rector.

"The problem is compounded by the fact that while the South African Government is administering the university, the Ciskei Government is responsible for law and order.

"Some very scary stories tell of policemen armed with machine-guns, shotguns and quirts patrolling the entrances to lecture halls and police trucks removing students from the campus.

"The first priority is that the university authorities themselves should restore calm and that students be allowed to continue with their studies pending an independent inquiry set up by the Minister of Education and Training," Dr Boraine said.

In Durban, about 800 students of the University of Natal's Medical School have begun an indefinite boycott of lectures in protest

against the suspension of Fort Hare students.

A spokesman for the Medical Students Representative Council said they had decided to boycott academic activities on the campus until all the suspended Fort Hare students were unconditionally reinstated.

"We condemn the intransigent attitude of the Fort Hare University authorities and the continued harassment of students and sympathetic staff by the university's administrative staff.

"Telegrams from various organisations have been sent to Fort Hare University and petitions are also being drawn up to be sent to the university," the spokesman added.

The South African Black Inter-Varsity Committee also issued a statement saying there was "concerted action" by State authorities on Black campuses to "suppress and repress whatever minimal human dignity there is left at these institutions."

— Sapa.

LUTHERAN PRIEST DESCRIBES POLICE TORTURE

Johannesburg SOWETAN in English 2 Aug 82 p 7

[Article by Allister Sparks]

[Text]

THE LUTHERAN Dean of Venda, a mild and courteous man of 34, recounted at the weekend how he was tortured by the same security police interrogators who have just been found, by an inquest court in that remote tribal homeland, to have beaten one of his lay preachers to death.

Dean Simon Farisani said he was made to do exercises until he collapsed. He was beaten until his eyes bled and his eardrums burst. He was suffocated under a wet canvas hood and subjected to electric shocks to the head, spine and genitals until he lost consciousness.

Three weeks after this torture the delayed shock to his nervous system caused him to suffer heart failure and he nearly died. He spent three and a half months in hospital.

Shock

Now, six weeks after his release, he is better but still suffering from emotional shock. His hands carve the air agitatedly and his voice rises to a falsetto as he recounts what happened. The Church has given him three months' recuperative leave and he and his wife, Regina, are trying to decide whether

they can ever summon the courage to return to Venda where the nightmare occurred.

Farisani believes what was done to him was similar to what killed the lay preacher, Tshifhiwa Muofhe, who died within 24 hours of being detained. Last week an inquest found that two security policemen, Captain Muthuppei Ramaligela and Sergeant Phumula Mangaga, had beaten him to death.

This is the first time any inquest court in

South Africa or its appendant tribal regions has blamed the security police for the death of a political detainee.

Fifty have died in the past 20 years, the best known being Steve Biko, the Black Consciousness leader. Past inquests have attributed the deaths to accidents, suicide, or simply said the cause of the fatal injuries was unknown.

This verdict was given by the former Chief magistrate of Zimbabwe, Stanley Stainer, who took up his new job in Venda on June 1.

Muofhe, Dean Farisani and three other Lutheran pastors were among a number of people detained last November after African National Congress guerrillas attacked a police station in the centre of Venda's main town of Sibasa.

Killed

A policeman was killed in the attack and the homeland authorities, jumpy because they know they are unpopular for accepting independence in South Africa's tribal system, ordered roadblocks and mass arrests.

Farisani knew of the young preacher's death when they took him away — hardly a comforting thought in the days that followed.

First he was locked in a corrugated iron cell near the Limpopo River, just north of the tropic of capricorn. The heat was suffocating. But what worried Farisani more was that his interrogators, the same two who have now been blamed for Muofhe's death, tried to force him to write to his wife and friends saying he had fled to Mozambique.

"I realised if I wrote those letters they could

kill me, dump my body over the border and use the letters to absolve themselves," said Farisani. "So I said no".

Farisani's interrogators — "these two gentlemen" as he referred to them, without irony but out of an instinctive rural courtesy — demanded that he write a confession implicating himself, Muofhe and the other pastors in the police station attack. When he refused the torture began.

Portly

The Dean is not a physically strong man. Portly short would be a tailor's description. He has a rolling walk like a sailor's and is not nimble. His interrogators laughed as he stumbled and crashed about before their blows. "Hallelujah,"

they cried as he prayed for mercy — and eventually death.

"They went berserk", said Farisani. "They punched, kicked and hit me with everything they could lay their hands on, even the chairs."

They flung him around the room, smashing his head against the walls. He started bleeding from the nose, mouth, ears, even the eyes. His eardrums burst.

"I was breathing through my ears," he said. "I could hear the air coming out of them as I breathed."

Next day he was taken to the security police offices in Sibasa. There it was even worse. He was taken into an office at 6 am, the curtains were drawn and he was told: "Nobody comes out of

here alive unless he tells us what we want to hear."

That is when they used the wet canvas hood and the electric shocks. With the hood over his head he felt the interrogators pour a glue-like substance down his spine and connect electric terminals to his ears and the back of his head.

As the current was turned on his brain and spine were shocked and his whole body was convulsed.

He lost consciousness. When he came to he was asked again to make the confession.

When he refused the wet hood was replaced and he was shocked again. — London Observer Service.

CSO: 4700/1697

BRIEFS

MEETINGS BANNED IN CAPE--The Minister of Law and Order, Mr Louis le Grange has placed a two-year ban on gatherings in a Cape Town area. A notice in yesterday's Government Gazette said the ban which comes into effect on August 12, would apply to the area bounded by Buitenkant, Darling, Plein and Castle streets. Gatherings for the purposes of bona fide church services or trading were exempted. The notice says gatherings affected include those at which any form of state or any principle of policy of the government is propagated, defended, attacked, criticised or discussed or any person, cause, action or contemplated action or failure to take action is protested against. Sapa [Text] [Johannesburg THE CITIZEN in English 7 Aug 82 p 8]

CSO: 4700/1697

BRIEFS

DETENTION LAW UNDER FIRE--Dar es Salaam, July 21--The Tanzanian government is under pressure from members of parliament to abolish its 20-year-old preventive Detention Act. But minister for justice Julie Manning has told them that the act retains its relevance. The minister conceded however, that amendments could be made if there was a reason for doing so. Criticism of the act was voiced when MPS were debating budget estimates for the ministry of justice yesterday. An M.P. for Makete constituency, Tuntemeke Sanga, called for outright abolition of the act and said individuals who committed offences should be tried before courts of law. He said the act was used to victimise people who did not please the authorities. Other MPS suggested that the act be reviewed because, they said, it could be abused by some individuals in authority. (A.F.P.) [Text] [Paris AFRICA AFP in English 23 Jul 82 p 16]

CONTROVERSIAL JET--Dar es Salaam, July 21--A British-made presidential executive-jet for Zanzibar, whose purchase created controversy in the Island's house of representatives two months ago, is expected to be delivered early next month. The plane was bought by the government for about six million dollars, 70 per cent of which was loaned by a British bank. But the deal was bitterly criticised by members of the house of representatives who said the government chose to spend such a colossal sum of money when the islands were going through a difficult economic situation. The government retorted that the plane was bought for the island's leader Aboud Jumbe during official duties and that the country did not lose 'anything since the aircraft belonged to the government.' (A.F.P.) [Text] [Paris AFRICA AFP in English 23 Jul 82 p 16]

CSO: 4700/1633

LEADERS OF RWENZURURU MOVEMENT AGREE TO SURRENDER

Paris AFRICA AFP in English No 2919, 30 Jul 82 p 18

[Text] Kampala, 29 Jul--Leaders of the Ugandan "Rwenzururu" movement which has been fighting for independence in the 'Mountains of the Moon' region have agreed to end their 20-year struggle and will surrender their arms to the Uganda Government on August 15, officials here said.

The movement, comprising two diminutive tribes, the Bamba and the Bakonjo, is led by its self-styled king and general, Charles Wellesley Irema Ngoma and his 'queesn,' Zeuliah.

The 'king' is 'head of state, head of government and minister of defence' of the 'united kingdom of Rwenzururu.'

According to the official UGANDA TIMES newspaper, the 'King General' this week agreed to come down from the mountains of the moon and settle with his family in Uganda's western town of Kasese.

This followed an agreement over the weekend between leaders of the movement and Uganda's army chief of staff Brigadier Oyite Ojok, and a minister of state in the office of the president, Chris Rwakasisi, in western Uganda.

Brigadier Oyite Ojok assured the 'King-General' that no member of the movement would be prosecuted or victimised for illegal possession of guns or involvement in the Rwenzururu activities after the surrender on August 15, the UGANDA TIMES said.

The Rwenzururu fighters will surrender on that day along with the movement's organisers and their arms, and would 'accept the concept of Uganda's republican constitution of one nation,' the UGANDA TIMES said.

The movement, even at its peak in the early sixties after Uganda attained independence in 1962, has never posed a real threat to successive governments as most of the territory claimed by the Rwenzururu was mountain scrub in a remote border area near Zaire which has little strategic or economic value.

But the separatist movement has been a continual destabilising factor in the area as its fighters swept down the mountains to harrass and loot towns and tribes at the foot.

The rebels would retreat up the mountains before Uganda army reinforcements arrived, and government troops always found the climb up the rugged mountain trails too difficult. (AFP)

CSO: 4700/1694

COMPANY REPORTS REFLECT STATE OF NATION

Harare THE FINANCIAL GAZETTE in English 30 Jul 82 p 28

[Text]

TWO of the nation's most dynamic industrial companies have produced reports this week deserving a close look by the financial authorities. Both are involved in basic aspects of manufacturing and neither can be said to be catering to luxury tastes.

The companies are Plate Glass Industries and Mashonaland Holdings. Their analyses are as good a summary of what is happening as can be found anywhere.

Mashonaland Holdings' chairman Mr Terry Hardy speaks of the efforts the company has made in training, industrial relations and rates of pay.

"Unfortunately in recent times our hopes have largely been dashed. Every one of our companies is short of skilled personnel and young executives, and in some companies the shortage of such men is starting to have serious deleterious effects.

"This, combined with a shortage of foreign currency, together with frequent labour unrest caused mainly by irresponsible political and trade union agitators, causes not only inefficiency and higher costs but puts great strain on management and is one of the principal reasons why still more qualified executives have left the country."

SERIOUS

In the brickmaking division the position is particularly serious. There has been continuing industrial unrest and the chairman says "there is undoubtedly a small core of persons constantly fermenting

trouble." To add to the problems sales are dropping and there is a virtual squatter problem with 2 000 people living in the main brick field where the accommodation is for 50 families. Theft has become widespread.

The forecast is that profits are unlikely to be maintained this year and stocks of finished bricks are too high. There has been a cut-back in facebrick production and other lines will also be reduced.

The same pattern is evident in the engineering and electrical division. In November last production reached a record level, mainly due to new machinery which had been installed "and our future seemed prosperous and assured. The change came all too rapidly."

Rivalry between trade unions broke out and there was deliberate provocation of labour unrest. At Relmo, electric motor makers, production fell drastically.

"Rival trade union meetings were held and lies became the cause of further unrest. As a direct result, plus many threats, direct and implied of physical violence, we lost the services of the general manager of Relmo. His second in command accepted the challenge and was promoted but he too has now left our employ and has left the country.

Despite this Relmo had an exceptional year. However the volume of orders is falling away and the company is in the ludicrous situation of seeing imported motors being bought "despite the fact that our own production is of

a very high quality at only 12% of the imported costs of the foreign motors."

FORCED

Mr Hardy warns that the country will be forced into importing winding wire if the M-E Wire company does not get new machinery. This is using the same plant designed and built 12 years ago. A British company has agreed to sell working drawings of some of its equipment which will then be made here at very little cost compared with that for importing new equipment.

At Airflo the situation is somewhat better. There is an effective and active worker's committee which takes a great interest in the company's wellbeing. However export orders have fallen off because currency allocations mean deliveries are unable to be made in a reasonable time.

GOOD YEAR

In the motor division Consolidated Motors had a very good year and Blooms Motor Supplies in Gweru was bought plus 49% of Shaw-Carter Company.

But it was a bad year for Consolidated Transport Services. In the last three months turnover and profits fell away alarmingly. "The company is barely meeting its costs, even at the operating level, and unless the position improves soon, we will have to consider closing down certain of the operations." During the year S and S Transport was bought. This does

shorthaul work of building materials.

On the property side a project has been deferred to build 12 town houses in the avenues as costs have escalated greatly.

Zimbabwe Motor Investments had a better year than previously, with the new Datsun Pulsar and Bluebird "making a very welcome addition to the country's car population, being very economical to run and with a good performance for the cost of the vehicle." Those attributes aside, any new car is welcomed in this country.

WORRYING

There are worrying financial aspects for Mash as well. The situation has worsened, with mining houses and multi-nationals being the main culprits.

The forecast for this year is a maximum of 25c in earnings a share. Says Mr Hardy: "I think it is well known that I have taken a very bullish view of the future of Zimbabwe and it grieves me to have to write such a pessimistic report."

At Plate Glass much the same sentiment is expressed, but in a different way, except that the labour situation is not deteriorating as badly.

The report of the joint chief executive mentions productivity. "Whilst understanding the philosophy of more equitable distribution of wealth the company is aware of the dangers that affect labour orientated operations throughout the world, where a rapid escalation of employment cost, unaccompanied by an increase in productivity cannot be quickly absorbed.

"In this event a serious weakening of viability occurs which in turn can endanger investment and therefore employment.

"We believe that closer co-operation and communication with Government departments will ensure a more mutual understanding of these problems."

In the report of the manufacturing division it says: "The difficulties arising from the operation of ageing machinery and a deficiency of hardwood material together with the problems of escalating inflation, a depressed sales market and the reducing ability of our management to effectively control employee productivity, gives emphasis to the magnitude of the challenge that lies ahead."

An optimistic note is sounded by the personnel manager's report.

● INDICATORS ● INDICATORS ● INDICATORS ● INDICATORS ●

INDEX	DATE	Previous	High	Low	1 Month ago	1 Year ago	Record High
	27.7.82	21.7.82			29.6.82	27.7.81	
ZIM INDUSTRIALS	159,12	157,77	227,15	155,46	162,92	326,85	487,01
ZIM MININGS	33,78	31,61	51,24	27,42	27,91	104,80	275,99
ZIM TURNOVER							
Domestic \$	13 851	15 036	587 322	● 2 850	24 677	66 561	4 247 737
External \$	59 384	177 064	849 369	664	176 138	14 606	10 895 985
Volume	40 115	32 662	749 801	● 8 880	57 700	67 527	3 676 310
LONDON INDUSTRIALS	561,5	576,2	587,3	502,2	552,0	528,5	597,3
NEW YORK	822,77	833,43	882,21	786,62	812,21	945,87	1 024,05
REUTERS COMMODITIES	1 543,3	1 554,9	1 635,5	1 459,1	1 536,6	1 725,8	1 832,6
PRICE							
Gold (US \$)	352,75	352,00	405,50	296	311	403,50	850,0
Sugar (£)	107	119	180	95	102	228,0	410,0
Copper (£)	847	837	877,50	684,50	788	909,5	1 376,50
Coffee (£)	1 104	1 113	1 332,50	891	1 172	—	1 332,50

● = New Low

"Industrial relations have been sound and special emphasis is being placed on the development of works committees and councils, established in all divisions, with a view to moving towards the greater involvement of employees at all levels in matters relating to business activities."

Chairman Morris Lubner says there are five reasons for slow-down in business: They are reductions in currency allowances, escalating costs and availability of finance, problems associated with a forthcoming poor agricultural season, depressed international markets for minerals and exporting difficulties because of the appreciation of the Zimbabwe dollar.

Export earnings have dropped by 40% compared with two years ago. Exports as a percentage of total sales, including supplies to sister companies in Malawi and Botswana, are 9,8% as against 20,9% last year and 26,8% in 1980.

In line with the Government's wish to promote growth points the company has opened a sales outlet at Mupandawana in Gutu. Also it has made an agreement with Daluka Community Co-operative in Matabeleland which has a timber concession from the forestry commission and which is supplying Plate Glass.

15% DROP

Mr Lubner says a revision has had to be made of the forecast of a 15% drop in earnings this year. "Whilst it has been our policy in the past to forecast for the full year ahead, I believe that the macro constraints on our business make accurate predictions for such a period questionable." He says earnings should be 27c a share for the first six months compared with 32c in the previous half year.

At the Zimbabwe Alloys' annual meeting on Wednesday managing director Mr A C Shepherd said there had been a cutback in production from one mine and one furnace, but did not go into details. He also said there had been no more progress on talks with Government about possible help in production. He told the shareholders that chairman Mr Gerry Carey-Smith was aboard on "urgent group business". He did not say if this was to do with Anglo American in general or Zim-alloys in particular.

In the chairman's statement published this week industrial relations were said to have improved. However there had been disturbing trends, with workers' committees which co-operate with management being seen as "sell

outs" by some people.

"Recently at the refinery we have had the unprecedented situation of workers, including members of the workers' committee, taking the law into their own hands and trying to intimidate management to get their own way.

"The undermining effect of certain Government legislation on industrial discipline is increasingly being referred to in the press and it can be confirmed that it is definitely having a detrimental effect on industrial relations."

One bright spot was an 18% excess in high carbon ferro-chrome sold compared with that produced, thus reducing stockpiles. Sales of low carbon ferro alloy increased, but were less than that produced.

The most important part of the statement is the revelation that costs have increased so much it is as cheap to import chrome.

The illustrious chain-store group of Maceys weighed in with its results this week. The Sam Levy Group had a \$1 million increase in turnover to \$12,2 million while taxed profit went up by \$50 000 to \$190 000 and a final dividend of 2c a share has been declared bringing the total to the same as last year's 3c a share. The market is hardly likely to receive a jolt after this announcement.

CSO: 4700/1695

CHIDZERO PRESENTS 'NO SHOCKS' BUDGET

Tax Rise

Harare THE HERALD in English 30 Jul 82 pp 1, 6, 7

[Text]

THE Minister of Finance and Economic Planning and Development, Dr Bernard Chidzero, yesterday presented a Budget for 1982/83, demanding "hard work and self discipline".

Although he forecast economic difficulties in the immediate future for Zimbabwe, his Budget held no major shocks for the man-in-the-street and outlined a massive national development plan.

Indeed, he said, the depressed state of the economy was a sign of growth and dynamic change, rather than of stagnation.

He proposed comparatively few tax measures to raise revenue to balance the national housekeeping, and these are:

- Fuel, clear beer and cigarettes all to go up from today.
- Sales tax on most goods goes up tomorrow.

No increase on items already exempt from tax: those items now taking 12 percent will be taxed at 15 percent: Those items, mostly consumer durables, subject to 15 percent, go up to 18 percent.

● Income tax in the "really substantial" \$35 000-a-year bracket is up by increasing the marginal rate from 51 percent to 60 percent, coming into effect this tax year.

● The present surtax of 5 percent on customs duties goes up from today to 15 percent.

Ode Chidzero told the Assembly that the level of taxation in the business sector was high and that "the income of the corporate business sector has a finite capacity to yield the revenues we need".

He also introduced a new system of advance payments for income tax payments. In terms of this, one third of the total income tax payment will be made by May 31 after the end of the business year.

Income tax would thus be in three stages, and

the system would produce revenue more quickly than at present.

He stressed this was "a timing adjustment" and not an increase in the tax burden.

Cde Chidzero also produced a few concessions in his budget.

These are:

- Postponement in the intended reduction of special initial allowances and mining capital allowances. These both allow companies to claim a 100 per cent tax abatement in the first year on capital developments, and were due to be reduced this year to 30 per cent.

- The \$50 customs duty rebate on passenger baggage goes up to \$100, and the rebate on free gifts goes up so that duty is only paid on goods worth \$30 or more.

- Estate duty levels are restored to \$60 000 — but

only in the case of "surviving spouses".

The reason for this was to deal with the case where inherited immovable property — like a family home — had to be sold in order to raise cash to pay the estate duty.

Cde Chidzero also announced that in the impending commission of inquiry into the country's taxation system, the "vexed question" of the taxation of married couples would be examined.

He also promised serious consideration of a land tax.

In general terms, he described the Budget as one of "restraint in recurrent expenditure, expansion in capital development and discipline in overall resource management".

Prospects for the year ahead "do not seem bright", he said. The mining sector was working at

a loss, agriculture was under pressure, and manufacturing was strained by lack of investment and excessive demand.

In addition there were the problems of skills shortages, and rising costs.

He urged MPs not to "hide our heads in the euphoria of the past two years", adding: "Certainly we cannot hide our heads in ostrich style."

However, by the efforts of the country and with the "eager-to-help" world community, growth was possible.

One very bright aspect of the present situation was that the "disequilibria" now faced by the country were "signs of growth and dynamic change, rather than of stagnation".

The greatest hope for the country under its circumstances was the operation of a plan for forceful and dynamic investment for growth.

Budget Comment

THE economic package that the Minister of Finance, Economic Planning and Development, Dr Bernard Chidzero, handed the Zimbabwean private and public sectors yesterday has many good features.

The news that the mining industry is to get \$50 million has come as a great relief. Mangula, one of the mines badly affected by low prices, had earlier on asked the Government to allow it to close because "operations were no longer profitable."

The decision to allocate \$50m will mean that thousands of jobs will not be lost in the industry.

Defence spending is down by \$10m, and considering the internal and external threats to this country, one would have expected more money to have been allocated to it.

The tragedy in our country is that part of the money needed to run the country during the com-

ing financial year will be used to fight ZAPU dissidents and South African agents of destruction.

It is money which has to be spent, of course, and if the bandits continue in destabilising the country the costs will get greater by the year. Money will go into the barrels of guns instead of into constructive ways to make life better for all. This is what supporters of bandits have to take into account when development in their areas bogs down.

Housing in high-density areas gets \$60m and \$11m has been allocated to resettlement. Thus, in essence, the Government is committed to its already stated policies of resettlement, and new lands will be acquired to absorb the population which is in excess of the safe carrying capacity of the present-day peasant sector.

It will also ensure that

commercial farming land is able to continue to provide the bulk of the country's food requirements, a surplus for export and inputs for industrial production.

Education gets the largest piece of the Budget cake, and this is in line with the Government's three-year development plan.

But there can be no doubt that the strains on the economy are not easing.

They may even become worse, with the heavy cost of bringing in fuel, the continuing world recession, and the need to help those industries hit by it.

All in all, for the man in the street, the Budget has been fair.

It would have been psychologically bad to hit his pocket hard, despite the fact that all appreciate the difficulties that this country has faced during the past two years.

Business Leaders Welcome Budget

BUSINESS leaders yesterday welcomed the Budget, although some questioned certain aspects. Most said the Budget was fair, but believed the increases in the prices of cigarettes, beer, petrol and diesel fuel were "too high".

Mr Bill Burdett-Coutts, chairman of the Stock Exchange, said: "The presentation of the Budget was masterly, and under the circumstances fair. Industry will welcome the further postponement in the introduction of the reduced initial allowances.

"Mining will welcome the \$50 million subsidy."

He said the "massive plans" for development would give industry a tremendous boost in the coming year.

"The indication that some sort of investment guide is being prepared is also most welcome."

Mr Allan Paterson, the president of the CZI, commenting in his personal capacity, said: "The Budget was well devised under difficult circumstances. It does not underestimate the difficulties of the coming year.

"I was particularly pleased on two points, the first being that the minister stated quite clearly that the contribution to the fiscal year would be made by all sections of the community.

"Secondly, the Budget has been planned to service recurring expenditure and the national debt, thus moving away from the heavy deficit budgeting of the last two years.

"Industry is pleased that direct taxation has not gone up, and I am gratified that the special initial allowances have been carried forward to this year. Industry should respond by greater investment."

PERSONAL TAX

On the question of personal tax, which is at 60 percent for the higher income brackets, he said: "This is a level used by a number of other countries, but I believe we in Zimbabwe will reach that level at a lower threshold, although at this stage I have not researched this thoroughly."

The president of ACCOZ, Mr Abner Botsh, said: "ACCOZ would like to congratulate the minister for his determination to finance recurrent expenditure from revenue and his obvious awareness of the extreme severity of the economic circumstances in which Zimbabwe and the international community find themselves.

"We are, however, concerned at the sharp increases in recurrent expenditure and feel that unless drastic measures are taken to keep skilled manpower and other expertise, the capital budget may well be too ambitious."

INCENTIVES

Mr Botsh said he was not convinced that customs duty would lead to a more effective allocation of scarce foreign resources and he feared the inflationary aspects.

He was disappointed that incentives for businessmen to boost exports had not been enlarged upon.

"I am also disappointed at the lack of specific incentives to attract foreign investment and boost foreign currency earnings.

"While I welcome the reinstatement of the special initial allowance, I would have wished to see a longer-term view, for the allowances to have meaningful impact on new investment."

He realised that certain matters would be referred to the proposed new tax commission and he urged that it should be appointed soon.

Rich Will Pay More

ONLY the very wealthy will pay more income tax and they will not be affected by the increases until 1983/84.

Dr Chidzero said that those people earning over \$35 000 a year will be subjected to a marginal rate of 60 percent.

This will be achieved by modifying the rate of surcharge on a rising scale.

The surcharge will remain equal to 15 percent up to the point where the maximum basic rate is reached which is a tax payment of about \$4 000.

But progressively larger amounts of surcharge will be applied to each successive \$1 000 of tax payable up to a maximum surcharge of 33 percent.

This will raise another \$4,5 million in revenue in the next fiscal year.

Chidzero Pledges \$40m Investment in Private Sector

EXPERIENCE over the past year should enable the Government to become more productively involved in the corporate business sector, Dr Chidzero said.

This year's "participation" Budget has been set at \$40 million and Cde Chidzero said that although little progress had been made over the last year to become involved in the private sector, the Government had used the time to consider its general policy and priorities and the selection of participants during 1982/83 would be more productive.

He also announced that \$50 million had been set aside on the Treasury vote to support those industrial sectors, mainly mining, which were facing "severe difficulty under present domestic and world economic conditions".

The funds would be used over the next 12 months to back up firms with guarantees for bank loans or to provide direct loans.

It was important that these enterprises should be supported so they would benefit from the "upturn in our fortunes that will surely come as the world lifts itself from the present depression".

There were sighs of re-

lief, especially among **RF** members of the House, when Cde Chidzero announced that corporate tax would not be increased in this year's Budget proposals.

Apparently affected by recent Press speculation that the Budget would contain huge increases across the board, a hushed air of expectancy pervaded the House as Cde Chidzero reviewed the country's economic performance during the 1981/82 fiscal year at the start of his address.

The excitement over the tax concession turned out to be shortlived as the jubilation turned into stony silence when the minister enumerated increases on sales tax, and prices of consumer goods like clear beer, cigarettes and fuels.

On the whole, the Budget statement seemed to have been well received by all sides of the House as there were no interjections and undue interruptions throughout the address.

The Prime Minister, Cde Mugabe, and other members of the Cabinet, shook hands with Cde Chidzero, congratulating him on his Budget statement. — Zlana.

Complaints in the Street

MANY people interviewed in Central Harare yesterday evening said the increase in prices of cigarettes, beer, petrol, diesel, durables and also sales tax and customs duty were too high.

Sales tax in particular, they said, was already too high. — Ziana.

Government Spending Hits a New Peak

GOVERNMENT expenditure in 1982-83 is set to rise by 50,58 percent to a record \$2,8 billion.

The 1982 Financial Statements put before the Assembly yesterday show that last year's Budget was underspent by 5,68 percent.

Estimated expenditure was \$2 006 484 000, but actual spending was \$114 015 544 less, at \$1 892 468 456. The projected figures for the new fiscal year are \$2 849 775 000.

The \$957,3 million increase will be largely financed by heavier international borrowings, \$276 million more of international aid and income from direct and indirect taxation.

With emphasis in the yet-to-be-published three-year transitional plan to be put on education, the Minister of Education, Cde Dzingai Mutumbuka, has been given the largest vote appropriation, up 27 percent to \$408,4 million and representing 18,5 percent of estimated expenditure.

Defence has been pruned back by \$10,2 million to \$291,2 million, but health, running in third place, has been increased to \$130,3 million.

The Minister of Finance, Economic Planning and Development, Dr Bernard Chidzero, has included \$175 million worth of donor-funded projects in his estimates.

The strong emphasis on rural development is borne out by significantly more money for the Ministries of Agriculture, Lands, Resettlement and Rural Development, Water Resources, Natural Resources, and Roads and Road Traffic.

The mining industry should be cheered by \$50 million of assistance in the form of loans. Another \$5 million has been set aside for the proposed new export incentive scheme, but whether this will be

enough remains to be seen.

Government participation in the private sector could be increased by as much as \$40 million, double last year's allocation.

However, these sums have to be seen in the context of increasing public debt.

The Government's indebtedness rose from \$1 940 663 005 at June 30, 1981 to \$2 227 841 353, a jump of 14,8 percent. Taking its \$702,8 million of assets into consideration, the deficit at the end of the last fiscal year stood at \$1,525 billion.

The deficit at June 30, 1981 was \$1,847 billion.

● Estate duty and duties on passengers' baggage and gifts were the only areas to get concessions.

The threshold on estate duty, in respect of surviving spouses only, has been restored to \$60 000.

This is designed to prevent a situation where a widow or widower might be forced to sell the family home to pay the duty.

On passengers' baggage, the rebate is doubled to \$100 while on gifts duty on values up to \$30 is remitted.

Cde Chidzero also said that a formal commission of inquiry would be set up to review the country's revenue resources.

The commission would look at the entire tax structure, including the taxation of married couples.

"It is a matter which I know is of such importance to the fairer of the human species," he said.

The tax commission would also look at the complex problem of land tax and how to bring back into full production under-used land.

"I do not think we can let another year pass without progress towards such a tax," Cde Chidzero said.

State To Treble Spending

THE Government is trebling its capital expenditure for 1982 to 1983, pushing total spending to an estimated \$2 849,8 million.

Capital spending has trebled from last year to \$700 million while recurrent expenditure has increased by over 27 percent to \$1 847,9 million.

The remaining amount of \$300 million is for repayment of maturing debt.

Dr Chidzero said such capital spending

was dramatic testimony to the new emphasis on development.

The debt repayments which increased by over \$100 million was also evidence of the need to moderate the dependence on deficit financing.

Dr Chidzero said that education would absorb 22 percent of the recurrent programme and while recognising the right of every child to be educated, he cautioned against allowing this service to preempt the country's resources.

Agriculture and Rural Growth Get Top Priority

AGRICULTURE, rural development, transport and communications will receive the highest priority in the public sector investment programme development (PSIP), said Dr Chidzero.

The programme, which gave the Government an opportunity to direct the economic and social development of Zimbabwe, would cost about \$1 019 million in 1982/83, an increase of 63 percent of the capital costs of the first year of the three-year development plan.

The Government would contribute \$456 million, statutory bodies and local authorities would contribute \$365 million and the balance would come from donor countries.

STANDARDS

Cde Chidzero said it had been necessary to balance the need to improve as quickly as possible the standards of living of the rural population and of continuing to provide for modern infrastructure investment.

The highest priority had been given to agriculture and rural development (\$316 million) followed by

transport and communications (\$222 million), social services, housing and related infrastructure (\$198 million), energy and water development (\$176 million) and administration services including defence (\$107 million).

It had been essential for the PSIP to cover a range of activities designed to correct the imbalances that characterised our society, he said. At the same time, it was equally important that a sound productive base was created and expanded to ensure the permanence of the corrective action taken and secure higher capacity.

The momentum of the rural resettlement programme would be maintained. The Ministry of Lands, Resettlement and Rural Development would initially resettle 162 000 families this year and \$76,7 million had been set aside for this.

In line with Government policy to upgrade living standards in the communal lands, the comprehensive development programme would, among other things, improve the accessibility of agricultural credit and the con-

struction and development of a marketing infrastructure.

COMMITTED

The Government was also committed to increased State participation in the agricultural development of the country. As a result, \$7 million had been set aside to buy land for State farming, \$24 million had been allocated to the agricultural and rural development authority for the development and running of estates and irrigation schemes.

The new department of rural development in the Ministry of Lands, Resettlement and Rural Development would further streamline State controlled development in the rural areas.

Of the \$80 million to be spent by local authorities, \$33 million will be used by the smaller centres to develop infrastructure and the allocation for housing and services will be \$87 million.

A housing development programme for the rural areas will include materials production units and a technical services organisation as well as a conventional housing scheme.

— Ziana.

Company Tax Not Increased

THERE will be no increase in company tax, Dr Chidzero announced. He said it was his intention to pull the country out of its current deficit and to do this he would be raising new revenue of \$235 million by taxation, but not at the expense of companies.

The rate of taxation in this sector was already very high and the business sector had a finite capacity to yield revenue.

He said the Government realised that there must be a worthwhile return on capital and that it was from the private sector that investment, production of goods and reward for labour was looked for.

Dr Chidzero said: "I have decided to postpone

again the coming into effect of the substantial reductions of the mining capital allowances and the industrial special initial allowances which were proposed last year.

However, he said that the timing of tax payments by companies was to be adjusted.

"To this end, provision will be made to require the payment of the taxpayer's estimated liability in three stages, instead of the present two stages."

"I believe that this postponement will give heart to the economic sectors concerned," he added.

Dr Chidzero said the timing adjustment would bring in an extra \$60 million of revenue in 1982/83.

Budget Shortfall Rises to \$590m

THERE will be a Budget deficit of \$589.4 million, or 10.7 percent of gross domestic product, said Dr Chidzero.

It would be financed by borrowings, including \$154 million under the Zimcord pledges.

Government revenue would amount to \$1948 million, of which \$1728 million would come from taxation and \$63 million from Zimcord grant funds.

Company tax would provide 23.4 percent of all taxes, 23.7 percent would come from individual taxes, \$405 million from customs and excise and

sales tax would contribute another \$440 million.

Cde Chidzero said it was important that credit from the banking sector be used to the minimum in financing the deficit.

Undue expansion of such credit was strongly inflationary, and if too much was taken up for the Government then the economic expectations of private production would not be fulfilled.

"The borrowing capacity of the economy as a whole is of course limited and I wish to stress that we cannot go beyond that limit," said the minister.

"If we attempt the alchemy of excessive credit creation, the result is not growth and wealth, but

depression and poverty," he added.

In the borrowing programme the Government would draw upon the savings of all the people through the Post Office Savings Bank, pension funds and the life insurance industry.

Zimbabwe would also be expecting support from international financing institutions, in particular the World Bank and the International Monetary Fund, in providing loans on suitable terms.

"I would add in this regard that the World Bank presently has under consideration projects for Zimbabwe valued at some \$230 million," Cde Chidzero said.

VOTE APPROPRIATIONS

	1982-83 \$	1981-82 \$	percent change
President	570 000	455 000	+25.3
Parliament	2 744 000	2 615 000	+4.9
Prime Minister	15 980 000	14 244 000	+12.2
Cabinet Office	1 300 000	1 369 000	+5.0
Public Service	12 050 000	6 953 000	+73.3
Defence	291 232 000	801 461 000	-8.4
Treasury	123 080 000	101 519 000	+21.2
Vote of Credit	175 000 000	—	—
Economic Planning and Development	9 343 000	1 990 000	+369.5
Audit	1 100 000	1 008 000	+9.1
Industry and Energy Development	2 000 000	1 553 000	+28.4
Trade and Commerce	39 341 000	86 022 000	-54.3
Agriculture	141 910 000	99 643 000	+42.4
Mines	5 075 000	4 572 000	+11.0
Transport	118 030 000	124 692 000	-5.3
Foreign Affairs	16 500 000	13 736 000	+20.1
Manpower Planning and Development	12 700 000	10 032 000	+26.6
Local Government and Town Planning	83 987 000	92 512 000	-9.2
Housing	61 374 000	40 000	—
Lands, Resettlement and Rural Development	62 553 000	44 044 000	+42.0
Labour and Social Services	90 805 000	52 804 000	+72.0
Health	130 300 000	108 936 000	+19.6
Education and Culture	408 400 000	316 508 000	+29.0
Youth, Sport and Recreation	10 000 000	10 000 000	—
Community Development and Women's Affairs	3 300 000	2 188 000	+50.8
Home Affairs	104 291 000	86 183 000	+21.0
Legal and Parliamentary Affairs	1 866 000	65 000	+277.0
Justice	24 955 000	22 636 000	+10.2
Information, Posts and Telecommunications	8 299 000	11 436 000	-27.4
Natural Resources and Tourism	26 081 000	15 768 000	+65.0
Water Resources and Development	41 760 000	18 323 000	+127.9
Roads and Road Traffic	62 781 000	54 587 000	+15.0
National Supplies	7 981 000	157 000	—
Construction	116 365 000	79 225 000	+46.9
	<u>2 213 053 000</u>	<u>1 687 281 000</u>	<u>+31.3</u>

CONSTITUTIONAL AND STATUTORY APPROPRIATIONS

	1982-83 \$	1981-82 \$	percent change
President	50 400	54 070	-6.8
Parliament	80 500	74 000	+8.1
Public Service	62 575 000	61 576 000	+1.8
Treasury	500 067 000	351 808 000	+42.1
Audit	28 500	28 500	—
Local Government and Town Planning	400 000	430 000	-6.9
Labour and Social Services	21 454 500	19 496 500	+10.0
Justice	566 000	534 000	+6.0
Roads and Road Traffic	400 000	430 000	-6.9
	<u>585 722 000</u>	<u>434 441 670</u>	<u>+34.8</u>

TOTAL APPROPRIATIONS

	1982-83 \$	1981-82 \$	percent change
Constitutional and Statutory Appropriations	585 722 000	434 441 670	—
Vote Appropriations	2 213 053 000	1 687 281 000	—
	<u>2 798 775 000</u>	<u>2 121 722 670</u>	<u>+32.0</u>

\$6,6m Set Aside To Train Militia

THE highlight of the Defence vote is the Government's decision to spend \$6 690 000 on para-military training and \$779 000 on covering the costs of the British Military Advisory and Training Team.

Overall estimated expenditure has been reduced by 3,4 percent, or by more than \$10 million.

While there have been cutbacks in the national army's transport and stores requirements, the saving of \$19,1 million has to be weighed against a \$16 million rise in pay.

The air force has had its procurement and maintenance allowances cut by \$10,4 million while the wage bill has risen by \$2,6 million.

FINANCE, ECONOMIC PLANNING AND DEVELOPMENT

In line with policy statements over the past 12 months, investment in the private sector is to be doubled during 1982-83 to \$40 million.

The mining industry will take heart from the fact that \$50 million has been set aside by Dr Chidzero for this key sector of the economy. Other industries facing difficulties will also benefit.

The minister has been able to finance industrial aid by drawing on almost the whole of a \$55,6 million unallocated reserve created in the last budget, of which \$54,1 million remained untouched.

The export incentive scheme, mentioned at the recent CZI congress has been allocated \$5 million for payment on certain approved exports. No further details are given.

The only other major item of expenditure is \$15 million for the National Fund for Rehabilitation and Reconstruction, up \$1 million on 1981-82.

Included in the estimates is \$175 million under a Vote of Credit, representing 7,9 percent of ministerial spending for the current fiscal year. This includes \$13,7 million to be funded from domestic sources.

It relates overall to donor - funded projects stemming mainly from Zimcord pledges. Funds will be allocated when relevant aid agreements are signed and the source of money secured.

The population census will cost about \$5,2 million.

INDUSTRY AND ENERGY DEVELOPMENT

There is little change with the bulk of the \$434 092 increase in this ministry's vote going towards salaries and wages. Fuel research gets an increase to \$80 000 from \$25 000. The Small Industries Advisory Service has been allocated \$89 000 and the Standards Association \$158 000. All other spending has been cut.

TRADE AND COMMERCE

The massive cut of \$46,7 million results from the withdrawal of subsidies on edible oils and opaque beer.

In 1981-82 subsidies totalled an estimated \$79,9 million, but these have now been reduced to \$36 million, for wheat and maize-meal.

The ministry has increased its trade promotion budget from \$115 000 to \$240 000. The Consumer Council's grant goes up to \$45 000, while those for the Institute of Business Development and the Zimbabwe International Trade Fair remain unchanged at \$50 000 and \$21 000 respectively.

AGRICULTURE

Having taken away some subsidies from the consumer, the Government is handing those savings over to the producer, and in particular, the maize grower.

Over 53 percent of this year's agriculture vote will go on subsidies. Beef will receive \$33,2 million (1981-82 \$25,7 million),

dairy products \$18,5 million (\$10,4 million), but the maize producers really hit the jackpot. The subsidy has been increased from \$5,1 million to \$22,8 million.

The \$1 million subsidy for the highly nutritious soya bean has been abolished.

Grants overall have been cut marginally, although the Agricultural Finance Corporation has been given an extra \$829 000 to cover shortfalls incurred in running the Resettlement Loan Fund and the Small Farm Credit Scheme. The allocation is \$1,5 million.

The Tobacco Research Board receives \$310 000 to cover grants in respect of the three types of tobacco grown in Zimbabwe.

Loans to the AFC have been increased from \$7,3 million to \$10,2 million. Agricultural marketing organisations receive \$5 million, up from last year's \$1,75 million, but the TRB's loan has been reduced from \$50 000 to \$9 000.

MINES

With only an 11 percent increase to play with, the Minister of Mines Cde Maurice Nyagumbo, is looking at a standstill budget for his ministry. The extra \$503 000 does not even meet present inflation rates.

The Mineral Marketing Corporation's loan of \$500 000 remains unchanged. Grants are up 10 percent.

TRANSPORT

The National Railways of Zimbabwe have been ordered to reduce their losses and their subsidy has been reduced from \$38,5 million to \$31 million.

That said, loans to NRZ have been increased from \$40 million to \$69,2 million, of which \$14 450 000 is to be funded from aid monies. A \$3 million loan to Affretair has been

reduced by \$750 000, but Air Zimbabwe's is up from \$389 000 to \$600 000.

One major area of expenditure, the CMED, has been transferred to the Ministry of National Supplies.

The Transport Ministry is to spend \$2,4 million on completing the overlay of the old section of the runway and taxiway at Bulawayo airport, and \$36 000 re-aligning the access road to Charles Prince airport outside Harare.

FOREIGN AFFAIRS

Rising costs for Zimbabwe's diplomatic missions abroad have led to a 41,3 percent increase in the allocation to cover accommodation, rising from \$2,3 million to \$3,25 million. Grants and pledges by the ministry to international agencies will cost \$535 000 this year.

LOCAL GOVERNMENT AND TOWN PLANNING

Expenditure has been cut by \$8 525 000.

Payments to the District Development Fund for the maintenance of capital works have been increased from \$7,6 million to \$11,65 million. The DDF's budget for communal lands development is marginally up, at \$6,05 million.

General development loans to local authorities rise from \$14,7 million to \$27,3 million. Council grants go up from \$4,08 million to \$5,25 million while those to local authorities and provincial authorities have been cut.

Allowances to chiefs and headmen have been

reduced.

The allocation for the purchase of urban land by the Government has been increased to \$2 850 000 from \$550 000.

A new central rates fund, with a budget of up to \$8 million, has been created to finance the cost of services for growth points and rural centres.

MANPOWER PLANNING AND DEVELOPMENT

Bursaries paid to trainee college instructors have been increased from \$415 000 to \$760 000. College services are up 31 percent to \$960 000.

HOUSING

A National Housing Fund has been established to finance high-density housing schemes. Its initial budget is \$59,5 million.

LANDS, RESETTLEMENT AND RURAL DEVELOPMENT

Funds for the acquisition of land in the rural areas have been increased to \$25,1 million this year compared to almost \$14 million in 1981-82. Donors will provide \$6 million of the increase.

Grants for the Agricultural and Rural Development Authority have been cut by 11,6 percent to \$21,7 million, but \$9,8 million of this is to be funded from aid.

LABOUR AND SOCIAL SERVICES

The ministry's labour vote is dominated by the 27,6 percent rise in demobilisation pay for ex-combatants. The bill has

risen from \$47 million to \$60 million.

On the social services side \$19,06 million has been set aside for drought relief in the communal lands.

HEALTH

Medical and surgical supplies are seen as a key element in developing health services, and spending here is up from \$5,73 million to \$9,66 million. The supplies and services bill in total increases from \$12 million to \$20,8 million.

Grants to Parirenyatwa Hospital have been reduced from \$21,7 million to \$15,2 million and those to local authorities, missions and voluntary organisations are down overall from \$33,5 million to \$31,5 million.

The wages bill for medical care services leaps from \$22,2 million to \$30,2 million.

The importance of preventive medicine is highlighted by higher staffing. The wage bill goes up from \$3,75 million to almost \$9,5 million.

The Family Planning Association's grant has been increased to \$2,4 million from \$1,47 million.

EDUCATION AND CULTURE

Education, now accounting for 18,45 percent of the Budget, has been given an extra \$92 million this year taking its total vote to a massive \$408,4 million.

Primary school teachers in both the public and private establishments absorb \$231 450 000 of this in salaries and wages.

Secondary school teachers take a further \$68 500 000.

University of Zimbabwe grants rise from \$16,3 million to \$24,5 million.

YOUTH, SPORT AND RECREATION

Literally a standstill budget for this ministry, which sees expenditure on training centres cut from \$4,9 million to a mere \$2 million. Out of a \$10 million vote, \$5,73 million goes on salaries, wages and allowances.

COMMUNITY DEVELOPMENT AND WOMEN'S AFFAIRS

A 50 percent increase in estimated expenditure is more than taken care of by the ministry's wage bill, which accounts for 71,6 percent of its vote.

Subsistence, transport and expenses account for a further 18,2 percent.

HOME AFFAIRS

The Zimbabwe Republic Police absorb 91 percent of the increased vote, up 21 percent on last year. Of its \$95 million allocation, \$65 million goes on wages, salaries and allowances.

The Registrar-General's department has had its estimates more than doubled to \$3,1 million.

Of the remaining ministerial votes, Natural Resources and Tourism has increased its loans to the Forestry Commission from \$808 000 to \$6,4 million, and the commission's budget has been doubled to more than \$4 million. National Parks and Wildlife have been given an extra \$900 000 for development.

Industry 'Encouraged'

Harare THE HERALD in English 31 Jul 82 p 1

[Text] Economists and industrialists yesterday generally welcomed the budget but expressed concern about the increased taxation of people in the high income bracket.

They were particularly pleased about the decision not to increase the "already high" company tax and to retain the 100 percent special initial allowance on fixed investments.

They also welcomed the promise by the Minister of Finance, Economic Planning and Development, Dr Bernard Chidzero, that investment guidelines and export incentives would be announced soon.

"This is certainly not a no-change budget," said one industrialist. "It is a sophisticated and important statement by the Government about the economic implications of its form of socialism and deserves critical study and careful thought."

Mr John Robertson, chief economist for RAL Merchant Bank welcomed the fact that a large proportion of future Government funding would be borrowed externally.

The private sector found it difficult to meet its own funding requirements while competing with the Government for available funds and this had been one of the reasons why investment had been slack in the past.

More changes were needed to improve the investment climate. These included revised interest rates and export and investment incentives for local and foreign investors.

Mr Robertson also welcomed the reinstatement of the special initial allowance but added that the Government could also have considered a change to the capital gains tax which would not earn large amounts of revenue.

Mr Alan Paterson, president of the Confederation of Zimbabwe Industries said the budget had been "encouraging" and welcomed the "philosophy of providing for recurrent expenditure out of revenue and the involvement of all sectors of the populace in contributing to public revenue."

Both Mr Robertson and Mr Paterson expressed concern about the higher tax for the upper-level income earners. They said it would have a severe effect on the very people whose managerial or technical skills were in the greatest demand.--Ziana

CSO: 4700/1696

SECURITY PROBLEM OVERSHADOWS THIS WEEK'S BUDGET

Johannesburg THE FINANCIAL GAZETTE in English 30 Jul 82 p 4

[Editorial]

[Text]

IN a week when the Minister of Finance presented Zimbabwe's budget, one would have expected the nation's thoughts to be concerned with matters of finance. Yet it is the safety of individuals and the security of the state which have been uppermost in everyone's minds.

The abduction of six tourists placed the lives of young guests of Zimbabwe in danger, and attracted the concern and attention of American, Australian and British governments and media. That it will affect the reputation of the country as a holiday destination is certain, for if potential tourists cannot contemplate a visit in complete safety and security they will not come. It is a setback that our tourism can ill afford, for despite the rising figures of overborder visitors the industry is not attracting the traffic it needs to prosper.

The sabotage of Zimbabwe Air Force aircraft at Thornhill, Gweru, is an even more grievous blow to the nation — both to its morale and its defence capability. While, at the time of writing, the full details of damage done had not been released locally, overseas reports indicated that the strength of our air force has been seriously affected.

A criminal lack of security seems to have been revealed by the ease with which the attackers entered the base, sabotaged the aircraft, and escaped without detection. It is to be hoped that the enquiry will place the blame, so that a repetition is unlikely to occur.

While the abduction of the six tourists was clearly the work of ex-Zapu dissidents, the saboteurs at Gweru are less easy to identify. The sophistication of the operation makes it unlikely that it was the work of the local bandits now causing so much trouble in Matabeleland. But, if one cannot lay the responsibility locally, then where did the attackers come from, and by whom were they equipped and organised?

In the present delicate state of international affairs in Southern Africa, blame must not be apportioned without evidence. Yet there will be suspicions that the interests of only one country have been served by the destruction of aircraft which, in the present state of the country's finances, are virtually irreplaceable.

CSO: 4700/1695

ECONOMIC PERFORMANCE OF TOP COMPANIES REPORTED

Harare THE FINANCIAL GAZETTE in English 30 Jul 82 pp 8-23

[Selections from 'GAZETTE' survey: "Top Companies"]

[Text]

THE annual *Financial Gazette* Top Companies survey reviews, in a series of tables, the economic performance of the 54 companies quoted in the industrial section on the Zimbabwe Stock Exchange.

However, this year we also highlight the part public companies play in the community within which they exist.

The last year has heard some hard words spoken by politicians about the free-enterprise economy. Some of this criticism stems from dogmatic ideological commitment, some from a lack of knowledge of business, some from a confusion of principle with practice.

Public companies comprise the largest economic grouping in Zimbabwe, apart from Government and quasi-Government organisations. They are what their name implies — public, in the sense that they are required by law to publish an annual report showing their financial affairs, and detailing the important decisions taken during their financial year.

They have a highly responsible attitude to their relations with Government (as major taxpayers), their staff (as employers), and their customers (as suppliers of goods and services). This is often forgotten by those who attack big business most vociferously.

In this year's survey, therefore, we have concentrated on the part companies are playing in the care, training and welfare of their staff. We believe that private enterprise, particularly as represented by the Top Companies, has much to be proud of in this area.

NET EARNINGS
(Page 9)

NET earnings is the money accruing to a company after tax and before extraordinary times. It is the prime table for *The Gazette* ranking of the 54 industrial companies quoted on the Zimbabwe Stock Exchange.

TURNOVER
(Page 11)

Turnover shows the amount of money received by the company, and is another indication of the size of an enterprise's operation. Note that the top ten in turnover are not necessarily the top ten in net earnings.

NET WORTH
(Page 12)

Net worth is another indicator of size. *The Gazette* has taken the total capital employed by the companies, as detailed in their annual reports.

**NET EARNINGS
TO TURNOVER**
(Page 14)

Net earnings to turnover shows how much of its turnover a company has managed to retain for net earnings, expressed as a percentage. In a sense, it is a company's ability to retain, in the case of Merlin for example, 10,5 cents in each dollar earned. It must be remembered that different sectors of business trade in different ways and the retail trade traditionally works on low profits and high turnover. This is a useful indicator, but must be read with other factors.

**RETURN ON
CAPITAL EMPLOYED**
(Page 17)

Return on capital employed is an indication of profitability. It shows how much of the capital employed is earned in a year. Apex, for instance, earned 25,1% of its capital last year.

**MARKET
CAPITALISATION**
(Page 19)

Market capitalisation is the theoretical market value of a company's total shareholding, based on the price of the shares on June 1. This also gives a theoretical value of the company's share of the total invested in the industrial market, expressed as a percentage.

**SHARE PRICE
CHANGES**
(Page 20)

Share price changes over the year are merely an indicator of the change in the market value of counters over a very unusual year. The change is quantified as a percentage.

**PRICE-ASSET
SHARE RATIO**
(Page 23)

Price-asset ratio of shares is a way of comparing the market value of a share on July 1 with its balance sheet value (total issued shares divided into net assets). Expressed as a ratio, it is an interesting comparison of book value with market price. Ratios below 1 indicate that the market is undervaluing a share.

*Survey is
dated at
July 14*

WHEN planning a survey one is likely to be overtaken by events. This applies particularly to a survey of the performance of industrial companies in Zimbabwe. The year-ends of the companies vary, and some are more prompt in producing annual reports than others.

This survey has been completed on information available on Wednesday, July 14, just nine days ago; but even with this close deadline it has not proved possible to include some information which was published in the last week.

The dates of annual reports which have been used as a source of information for each company are shown in the premier table, that referring to Net Earnings, on page 9.

Net Earnings

Company	Rank		Net Earnings		Latest avail. ann. report
	This year	Last year	Latest	Previous year	
Delta	1	(1)	12 117 000	11 309 000	March 82
Natfood	2	(2)	8 018 000	5 719 000	March 82
Hippo Valley ...	3	(11)	7 957 000	22 365 000	March 82
D. Whitehead ...	4	(3)	7 654 000	5 048 000	Sept 81
TA Hold	5	(4)	7 187 000	4 465 000	May 81
Hunyani	6	(9)	5 422 000	3 239 000	Sept 81
PGI	7	(5)	5 420 000	4 217 000	March 82
Dunlop	8	(6)	5 298 000	3 891 000	Dec 81
Art	9	(10)	4 230 000	2 970 000	Dec 81
Zimbank	10	(8)	4 152 000	3 543 000	Sept 81
TSL	11	(14)	4 072 873	2 553 553	Oct 81
Mash	12	(13)	3 071 000	2 562 000	March 82
Cairns	13	(16)	3 014 000 ¹	1 293 000 ²	Aug 81
SPC	14	(21)	2 758 000	1 389 000	Nov 81
Border	15	(37)	2 652 000	678 000	March 81
J&F	16	(22)	2 446 000	1 377 000	Feb 82
TAL	17	(15)	2 133 000	2 118 000	Dec 81
Afdis	18	(12)	2 015 000	2 634 000	March 82
CAPS	19	(23)	2 009 000	1 335 000	March 82
Cafca	20	(17)	1 983 000	1 744 000	Jun 81
RESCCO	21	(33)	1 850 000 ³	791 141 ⁴	Feb 82
BAT	22	(19)	1 824 000 ⁵	1 542 000	Dec 81
Edgars	23	(25)	1 817 000	1 235 000	July 81
Rothmans	24	(18)	1 648 000	1 512 210	March 82
CIH	25	(20)	1 667 000	1 421 000	Dec 81
Clan	26	(29)	1 561 000	1 007 000	Dec 81
Zimbus	27	(35)	1 537 000	720 043	Dec 81
Clotex	28	(26)	1 470 000	1 166 000	Dec 81
Apex (P&C) ...	29	(31)	1 406 000	868 194	Dec 81
Abercal	30	(32)	1 404 000	847 000	Jun 81
Radar	31	(47)	1 379 000 ⁶	366 004 ⁷	Jun 81
Gulliver	32	(28)	1 367 000	1 050 000	March 82
Gatex	33	(39)	1 231 000	664 000	Dec 81
Tedco	34	(40)	1 189 000	601 000	Sept 81
Tanganda	35	(41)	1 072 000	588 000	Aug 81
Merlin	36	(27)	1 066 000	747 000	March 81
IHL	37	(43)	1 054 606	543 015	Jun 81
Tinto Ind	38	(42)	998 000	563 000	Dec 81
Porthold	39	(30)	862 105	896 777	Aug 81
Zimpapers	40	(38)	766 230	672 244	Dec 81
NTS	41	(46)	681 304	393 866	Sept 81
Morewear	42	(36)	640 000	699 000	Jun 81
Agricor	43	(24)	568 360 ⁸	---	Jun 81
Capri	44	(48)	543 400	306 300	Jun 81

Company	Rank		Net Earnings		Latest avail. ann. report
	This year	Last year	Latest	Previous year	
Truworthis	45	(52)	493 216	218 000	Jun 81
Kingstons	46	(49)	413 284	274 771	Feb 81
Wilbrick	47	(54)	373 334	153 489 ⁹	Jun 81
Zimplow	48	(45)	320 000	506 900 ¹⁰	March 82
Northchart ...	49	(50)	312 243	274 699	Sept 81
H&S	50	(51)	236 519	242 164	Feb 82
ZSR	51	(44)	182 000	520 000	Sept 81
Maceys	52	(55)	147 096	23 182	March 81
Schweppes	53	(53)	83 491	170 698	Dec 81
Alloys	54	(7)	(952 000)	3 578 000	March 82

Notes: 1.= 17 months to August 1981; 2.= 12 months to March 1980; 3.= 12 months to February 1982; 4.= 8 months to February 1981; 5.= 15 months to December 1981; 6.= 15 months to June 1981; 7.= Year to March 1980; 8.= 6 months to June 1981; 9.= 9 months to June 1980; 10.= 17 months to March 1981

TURNOVER

Company	Rank	Latest	Previous year
Delta.....	1	231 040 000	134 096 000
Natfood.....	2	136 135 000	102 660 000
TA Hold.....	3	121 511 000	80 601 000
PGI.....	4	55 306 000	41 453 000
Hippo.....	5	54 543 000	60 761 000
Alloys.....	6	54 000 000	44 500 000
D. W/Head.....	7	40 319 000	35 257 000
ZSR.....	8	37 520 000	30 561 000
Hunyani.....	9	36 618 000	25 245 000
Dunlop.....	10	36 255 000	28 315 000
CAPS.....	11	31 986 000	19 420 000
ART.....	12	28 282 000	20 859 000
Afdis.....	13	27 413 000	23 661 000
Rothmans.....	14	26 349 000	20 761 000
BAT.....	15	26 254 000	15 485 000
Mash.....	16	24 175 000	19 065 000
TSL.....	17	23 953 224	15 562 799
Cairns.....	18	23 347 000	14 421 000
Gulliver.....	19	21 975 000	21 925 000
CIH.....	20	21 770 000	17 523 000
Edgars.....	21	21 694 000	13 596 000
IHL.....	22	19 390 638	10 809 777
J & F.....	23	19 177 000	14 057 000
Apex (P & C)....	24	17 517 000	8 451 310
Clotex.....	25	16 933 000	12 654 000
SPC.....	26	16 591 000	10 998 000
Radar.....	27	16 004 000	7 584 000

Abercal	28	15 691 000	9 711 000
Cafca	29	14 581 000	12 264 000
Zimpapers	30	14 227 559	12 438 660
Tinto Ind.....	31	13 556 000	9 792 000
Tedco	32	12 773 000	8 039 000
Border	33	12 181 000	8 439 000
Maceys	34	11 473 797	10 674 633
Clan	35	11 454 000	7 922 000
Zimbus	36	11 171 397	9 573 978
Morewear	37	10 991 000	9 049 000
Merlin	38	10 158 000	7 825 000
RESCCO.....	39	9 909 000	5 294 000
Gatex	40	9 800 000	8 122 800
Tanganda	41	9 599 000	7 733 000
Haddon & Sly...	42	8 954 643	7 821 820
Agricor	43	8 829 711	—
Capri.....	44	8 565 500	6 989 200
Truworthis	45	6 819 839	4 653 000
Kingstons	46	5 441 833	4 464 229
Portland Hold..	47	4 268 570	2 512 716
Wilbrick.....	48	4 224 692	2 244 513
Northchart.....	49	4 125 445	2 347 163
Zimplow	50	3 526 000	—

Turnover was not disclosed in their annual reports by NTS, Schweppes, RAL and Zimbank.

NET WORTH

<i>Company</i>	<i>Rank</i>	<i>Latest</i>	<i>Previous year</i>
Zimbank	1	380 469 000	309 916 000
RAL.....	2	179 507 000	153 634 000
Delta	3	100 664 000	85 857 000
Hippo.....	4	84 800 000	79 940 000
Alloys.....	5	84 329 000	58 830 000
TA Hold.....	6	63 988 000	50 757 000
Natfood.....	7	43 765 000	38 529 000
SPC.....	8	41 997 000	24 112 000
Hunyani.....	9	38 170 000	24 829 000
Art.....	10	37 160 000	25 899 000
D W/Head.....	11	35 579 000	26 950 000
Border.....	12	26 898 000	25 047 000
TSL.....	13	23 860 839	17 858-430
PGI.....	14	23 299 000	16 091 000
Dunlop.....	15	21 496 000	20 142 000
Porthold.....	16	15 196 644	10 771 838
Cairns.....	17	14 911 000	13 179 000
Rothmans.....	18	13 285 000	12 009 626
CAPS.....	19	12 982 000	10 610 000
Gatex.....	20	12 221 900	7 018 300
Tanganda.....	21	12 202 000	12 060 000
Mash.....	22	11 983 897	9 072 799
BAT.....	23	11 892 000	10 072 000
Gulliver.....	24	10 688 000	6 360 000
J & F.....	25	10 482 000	7 876 000
Clotex.....	26	10 236 000	7 850 000
Afdis.....	27	8 903 000	7 888 000
Morewear.....	28	8 675 000	7 984 000
CIH.....	29	8 453 000	7 422 000
Zimbus.....	30	7 812 879	6 709 187
Radar.....	31	7 517 000	4 116 000
Agricor.....	32	7 206 749	—
Tedco.....	33	7 174 000	5 629 000
Clan.....	34	6 921 000	4 833 000
ZSR.....	35	6 783 000	6 581 000
Edgars.....	36	6 601 000	5 360 000
Abercal.....	37	6 526 000	5 186 000
IHL.....	38	6 440 109	5 453 224
Merlin.....	39	6 408 000	3 263 000
Cafca.....	40	6 367 000	5 914 000
Zimpapers.....	41	6 156 512	5 870 282
NTS.....	42	5 848 071	4 650 618
RESCCO.....	43	5 704 000	4 577 000
Apex (P & C)....	44	5 608 000	2 872 000
Tinto Ind.....	45	5 212 000	4 134 000
Schweppes.....	46	4 552 525	3 182 308
Wilbrick.....	47	3 436 611	2 882 403
Truworths.....	48	3 120 544	650 410
Maceys.....	49	3 100 177	3 081 631
Kingstons.....	50	3 059 481	2 946 318
Capri.....	51	2 533 500	2 298 500
H & S.....	52	2 524 421	2 391 458
Zimflow.....	53	2 071 000	1 741 000
Northchart.....	54	1 910 623	1 598 284

COMPANY'S RETURN ON CAPITAL EMPLOYED

<i>Company</i>	<i>Rank</i>	<i>%</i>
Rescco.....	1	32,4%
Cafca.....	2	31,1%
Edgars.....	3	27,5%
Mash.....	4	25,6%
Apex (P & C).....	5	25,1%
Dunlop.....	6	24,6%
J & F.....	7	23,3%
PGI.....	8	23,2%
Afdis.....	9	22,6%
Cian.....	10	22,5%
Abercal.....	11	21,5%
D W/head.....	12	21,5%
Capri.....	13	21,4%
Cairns.....	14	20,2%
CIH.....	15	19,7%
Zimbus.....	16	19,7%
Tinto Ind.....	17	19,1%
Radar.....	18	18,3%
Natfood.....	19	18,3%
TSL.....	20	17,1%
Tedco.....	21	16,6%
Merlin.....	22	16,6%
Northchart.....	23	16,3%
IHL.....	24	16,3%
Truworthis.....	25	15,8%
Caps.....	26	15,4%
Zimplow.....	27	15,4%
BAT.....	28	15,3%
Clotex.....	29	14,3%
Hunyani.....	30	14,2%
Kingstons.....	31	13,5%
Gulliver.....	32	12,8%
Rothmans.....	33	12,4%
Zimpapers.....	34	12,4%
Delta.....	35	12,0%
NTS.....	36	11,6%
ART.....	37	11,3%
TA Hold.....	38	11,2%
Wilbrick.....	39	10,9%
Gatex.....	40	10,0%
Border.....	41	9,8%
Hippo.....	42	9,3%
H & S.....	43	9,3%
Tanganda.....	44	8,8%
Agricor.....	45	7,8%
Porthold.....	46	7,5%
Morewear.....	47	7,4%
SPC.....	48	6,6%
Maceys.....	49	4,7%
ZSR.....	50	2,7%
Schweppes.....	51	1,8%
RAL.....	52	1,2%
Zimbank.....	53	1,1%

Market Capitalisation

<i>Company</i>	<i>Rank</i>	<i>Market Capitalisation</i>	<i>% of total Zim. Stock Exchange market capitalisation</i>
Delta.....	1	29 204 801	9,54%
Dunlop.....	2	18 479 982	6,04%
Zimbank.....	3	18 142 774	5,93%
Natfood.....	4	17 093 670	5,58%
PGI.....	5	16 078 686	5,25%
Art.....	6	15 024 600	4,91%
TA Hold.....	7	13 867 920	4,53%
TSL.....	8	12 698 893	4,15%
Hunyani.....	9	12 340 227	4,03%
D W/head....	10	12 161 380	3,97%
Hippo.....	11	9 365 460	3,06%
Edgars.....	12	9 000 000	2,94%
BAT.....	13	8 100 000	2,65%
Border.....	14	8 013 787	2,62%
J & F.....	15	6 371 030	2,08%
Cairns.....	16	5 787 718	1,89%
CAPS.....	17	5 353 211	1,75%
RAL.....	18	5 332 320	1,74%
Agricor.....	19	5 165 961	1,69%
Mash.....	20	5 110 242	1,67%
Rothmans....	21	5 040 000	1,65%
Cafca.....	22	4 950 000	1,62%
Clan.....	23	4 940 520	1,61%
Alloys.....	24	4 750 000	1,55%
Apex (P & C)	25	3 931 799	1,28%
Rescco.....	26	3 617 250	1,18%
SPC.....	27	3 600 000	1,18%
IHL.....	28	3 437 500	1,12%
Abercal.....	29	3 364 200	1,10%
Afdis.....	30	3 193 553	1,04%
Porthold.....	31	2 969 642	0,97%
Radar.....	32	2 898 480	0,95%
CIH.....	33	2 705 560	0,88%
Clotex.....	34	2 294 000	0,75%
Merlin.....	35	2 058 103	0,67%
Tedco.....	36	1 987 740	0,65%
Truworths....	37	1 800 000	0,59%
Gulliver.....	38	1 741 225	0,57%
Tinto Ind....	39	1 600 000	0,52%
Tanganda....	40	1 349 250	0,44%
Zimpapers....	41	1 320 000	0,43%
Morewear....	42	1 280 267	0,42%
Gatex.....	43	1 188 304	0,39%
Capri.....	44	1 171 620	0,38%
NTS.....	45	984 200	0,32%
H & S.....	46	855 000	0,28%
Zimbus.....	47	806 400	0,26%
Zimplow.....	48	787 500	0,26%
Maceys.....	49	685 600	0,21%
Kingstons....	50	650 000	0,21%
Northchart...	51	460 177	0,22%
ZSR.....	52	458 250	0,15%
Wilbrick.....	53	327 611	0,11%
Schweppes....	54	179 638	0,06%
TOTAL		306 076 051	100,0%

Share Price Changes 1981-1982

<i>Company</i>	<i>1981</i>	<i>1982</i>	<i>Change of mid-share price over the period June 30, 1981, to July 1, 1982</i>
Maceys	18	16	- 11,1%
J & F.....	110	97	- 11,8%
Clan	160	130	- 18,7%
CIH	36	26	- 27,7%
PGI.....	300	215	- 28,3%
TSL	120	80	- 33,3%
IHL	85	55	- 35,2%
Apex (P & C)....	110	70	- 36,3%
Morewear	35	22	- 37,1%
Zimbank	400	245	- 38,7%
H & S.....	95	57	- 40,0%
Art.....	155	90	- 41,9%
Border	125	70	- 44,0%
D W/head.....	125	70	- 44,0%
Mash.....	125	70	- 44,0%
Tinto Ind.....	36	20	- 44,4%
Zimpapers	100	55	- 45,0%
Edgars	370	200	- 45,9%
Truworths	94	50	- 46,8%
Dunlop	145	77	- 46,8%
Rescco	190	100	- 47,3%
Tedco	35	18	- 48,5%

<i>Company</i>	<i>1981</i>	<i>1982</i>	<i>Change of mid-share price over the period June 30, 1981, to July 1, 1982</i>
Capri.....	225	115	- 48,8%
Rothmans.....	177	90	- 49,1%
Hunyani.....	100	50	- 50,0%
Zimplow	150	75	- 50,0%
Cairns.....	175	87	- 50,2%
Clotex.....	75	37	- 50,6%
Porthold	45	22	- 51,1%
Abercal.....	150	70	- 53,3%
Tanganda.....	75	35	- 53,3%
BAT.....	300	135	- 55,0%
Radar	90	40	- 55,5%
Zimbus.....	90	40	- 55,5%
CAPS.....	220	90	- 59,0%
Agricor.....	108	42	- 61,1%
Delta	360	140	- 61,1%
Merlin	45	17	- 62,2%
TA Hold.....	98	36	- 63,2%
Cafca	450	165	- 63,3%
SPC.....	200	72	- 64,0%
Gulliver.....	73	25	- 65,7%
Kingstons	200	65	- 67,5%
NTS.....	62	20	- 67,7%

<i>Company</i>	<i>1981</i>	<i>1982</i>	<i>Change of mid-share price over the period June 30, 1981, to July 1, 1982</i>
RAL.....	330	105	-68,1%
Natfood.....	95	30	-68,4%
Wilbrick.....	65	20	-69,2%
Gatex.....	80	23	-71,1%
ZSR.....	50	13	-74,0%
Alloys.....	75	19	-74,6%
Schweppes.....	185	45	-75,6%
Northchart.....	22	5	-77,2%
Afdis.....	510	95	-81,3%
Hippo.....	140	13	-90,7%

Interesting contrasts in allocation of value added

SOME interesting variations in the distribution of value added by seven of the top ten companies appear from these extracts from their annual reports. The differences in gearing are particularly apparent. There are also some interesting ratios between payments to employees and to shareholders, particularly as the companies are all employers of large work forces.

<i>Company</i>	<i>Materials & Services \$000</i>	<i>Employees \$000</i>	<i>Dividends \$000</i>
Art	15 512	7 147	1 836
D W/head	22 264	7 595	3 480
T A Hold	88 298	19 499	4 727
Hunyani	18 775	9 797	2 343
Dunlop	19 286	6 798	2 803
Delta	104 799	34 907	6 050
Natfood	110 371	13 461	3 050

<i>Company</i>	<i>Loans & Interest \$000</i>	<i>Tax \$000</i>	<i>Re-investment \$000</i>
Art	809	195	12 770
D W/head	581	1 927	4 939
T A Hold	1 807	3 487	6 784
Hunyani	406	1 263	4 032
Dunlop	460	4 441	2 927
Delta	1 577	72 629	11 078
Natfood	1 157	588	7 508

RATIO OF CURRENT ORDINARY SHARE PRICE
TO BALANCE SHEET (NET ASSET) VALUE

<i>Company</i>	<i>Balance sheet value of ord. shares (cents)</i>	<i>Actual price per ord. share at 1 July 1982</i>	<i>Ratio</i>
Zimbank.....	5138,0	245	0,04
Alloys.....	337,3	19	0,05
ZSR.....	192,4	13	0,06
SPC.....	839,9	72	0,08
Wilbrick.....	209,7	20	0,09
Gatex.....	236,5	23	0,09
Zimbus.....	387,5	40	0,10
Hippo.....	117,7	13	0,11
Tanganda.....	316,5	35	0,11
Morewear.....	149,0	22	0,15
Gulliver.....	153,4	25	0,16
NTS.....	115,9	20	0,17
Porthold.....	112,5	22	0,19
Zimpapers.....	256,5	55	0,21
TA Hold.....	166,1	36	0,21
Kingstons.....	305,9	65	0,21
Maceys.....	72,3	16	0,22
Clotex.....	165,0	37	0,22
Northchart...	20,7	05	0,24
Tedco.....	64,9	18	0,27
Ral.....	353,4	105	0,29
Border.....	234,9	70	0,29
Tinto Ind.....	65,1	20	0,30
Delta.....	483,0	148	0,31
CIH.....	81,2	26	0,32
Hunyani.....	154,6	50	0,32
Merlin.....	52,9	17	0,32
H & S.....	168,2	57	0,33
D/W Head...	205,0	70	0,34
Afdis.....	264,8	94	0,35
Rothmans.....	237,2	90	0,37
Radar.....	103,7	40	0,38
Zimplow.....	197,2	75	0,38
Natfood.....	77,0	30	0,39
Schweppes.....	114,0	45	0,39
Cairns.....	224,0	87	0,39
Art.....	222,5	90	0,40
Capri.....	248,6	115	0,46
Caps.....	218,2	90	0,41
Abercal.....	135,7	70	0,41
Mash.....	164,1	70	0,42
IHL.....	103,0	55	0,53
TSL.....	150,3	80	0,53
Truworths....	86,3	50	0,57
J & F.....	159,2	97	0,61
Rescco.....	157,6	100	0,63
BAT.....	198,2	135	0,68
PGI.....	311,5	215	0,69
Apex (P & C)	99,8	70	0,70
Clan.....	181,8	130	0,71
Agricor.....	58,5	42	0,71
Cafca.....	212,2	165	0,77
Dunlop.....	89,5	77	0,86
Edgars.....	146,6	200	1,36

STATE TO HAVE MORE SAY UNDER NEW UNIVERSITY BILL

Harare THE HERALD in English 31 Jul 82 p 9

[Text]

THE President will automatically be the chancellor of the University of Zimbabwe if a Bill gazetted yesterday to replace the old Royal Charter is enacted.

University spokesman, Dr Ngoni Chideya, said yesterday that the proposed Act would make the university's constitution more indigenous and would mean there would have to be greater co-operation between the Government and the university.

Under the Bill the proportion of members of the council, the university's supreme governing body, appointed by the Government, would rise.

At the moment, nine councillors are appointed by the Government and seven are members of the senate, the supreme academic authority. The Bill proposes 12 Government councillors and nine senators.

At present there are councillors appointed by the cities of Harare and Bulawayo. These will go. So will the councillors appointed by the Chamber of Mines, the Christian Council, the heads of African secondary schools, the heads of white secondary schools, and the Commercial Farmers' Union.

The Associated Chambers of Commerce of Zimbabwe and the Confederation of Zimbabwe Industries will keep their right to appoint a councillor each. The Government recognised trade union association will have the right to elect a councillor as will the university's administrative staff and its workers' committee.

The Minister of Agriculture will appoint one councillor after consulting recognised farmers' associations and, as now, there will be two distinguished academics, appointed by the council

with the approval of the senate.

The present graduate elected by the Students' Representative Council will be replaced by the president of the Students' Union and the convocation — a new body of UZ graduates — will elect a graduate.

The vice-chancellor and the pro-vice-chancellors will also be members of the council. Vice-chancellor is the proposed title for the principal, and is the more usual title in Commonwealth universities.

The present vice-chancellor, Professor Walter Kamba, and the present pro-vice-chancellors will remain in office, but their successors will have to be appointed with the approval of the Ministry of Education and Culture.

The senate, which decides academic matters, is changed. The new senate will consist of the vice-chancellor and his deputies, deans, professors and

chairmen of departments and the librarian, as at present.

But there will now be the chairman and vice-chairman of the council and 15 councillors, at least eight of them Government appointees.

The president of the Students' Union and five other students will also become senators.

The Appointments' Board will have two councillors sitting on it and the students will form a third of any disciplinary committee.

The Bill also incorporates the recent change whereby professors are no longer automatically heads of department and instead departmental chairmen are appointed by the vice-chancellor.

Dr Chideya said he understood there had been some consultation with the university on the Bill. He said the last chancellor was Sir Henry McDowell, who retired a year ago,

MAHACHI SCORES ECONOMISTS IN 'IVORY TOWERS'

Harare THE HERALD in English 31 Jul 82 p 1

[Text]

THE Minister of Lands, Resettlement and Rural Development, Cde Moven Mahachi, yesterday took "ivory tower" economists to task for spreading gloom and despondency.

Addressing guests at the Burley Grower of the Year presentation in Harare, Cde Mahachi charged "blinkerred economists" of being out of step with the social, political and economic factors prevalent in Zimbabwe.

"These misguided economists go on to recommend a panacea in the form of devaluation," he said.

"Devaluation in their eyes would make Zimbabwe's tobacco exports, among others, relatively cheaper and thus afford them a competitive edge they currently lack on the

international market.

"Such arguments are alarmist and capable of causing despondency and a panicky situation among burley producers."

He paid tribute to the Air Cured Tobacco Association for selling almost 2 million kg of the produce this year, fetching \$3.5 million at an average price of \$1.75 a kg so far.

The burley industry should be co-ordinated in line with Government policy, he said.

"There is no way the Government will hold communal farmers to ransom to save an industry as suggested by economists who analyse situations for the sake of placating the fantasies of fellow economists to achieve recognition in their circles."

CSO: 4700/1695

STATE PLEDGES SUPPORT FOR CO-OP TRANSPORT

Harare THE HERALD in English 30 Jul 82 p 3

[Text]

THE Government is anxious to scrap the present form of rural passenger transport which is a waste of the economic life of vehicles, the Minister of Roads and Road Traffic, Cde Daniel Ngwenya, said yesterday.

In addition to carrying passengers, rural buses carried agricultural produce, furniture, oil drums and even scotch carts, which had a detrimental effect on the economic life of vehicles, Cde Ngwenya told delegates to the Zucco annual congress.

"When one considers the amount of foreign currency invested in the purchasing and building of a bus, it cannot but have an undesirable effect on the national economy," he said.

It was necessary that a separate form of goods and passenger transport be developed for the rural areas.

Cde Ngwenya said the present system of private enterprise in rural passenger transport would be retained with stringent

restrictions on monopolistic tendencies, while the Government would encourage and give financial support to the formation of goods transport co-operatives.

These transport co-operatives would form the basis of the movement of goods from rural areas to towns or railheads.

Cde Ngwenya said the ministry's programme in the three-year national development plan had particular emphasis on the rural areas.

Some of the roads would be paved, but because of limited financial resources, coupled with the Government's desire to provide as many good roads as possible, some of them would be built to all-weather gravel standards only.

'ZIPRA MEN WITH FOREIGN STATE' CHARGED WITH PLOTTING

Harare THE HERALD in English 30 Jul 82 p 1

[Text]

FORMER Zipra leader Dumiso Dabengwa is alleged to have sent a letter to the secret service chief of a foreign country asking for help in ZAPU's "next armed struggle", a Harare court heard yesterday.

This was said when Cde Dabengwa, another ex-Zipra leader, Lieut.-General Lookout Masuku, and five other men appeared in Harare Magistrates' Court in connection with an allegation of treason.

They were not charged but were remanded in custody by senior provincial magistrate Mr Ivor Waldeck to August 10.

Appearing for the State, the Attorney-General, Cde Godfrey Chidyausiku, presented certificates signed by the Minister of Home Affairs, Dr Herbert Ushewokunze, preventing courts from granting them bail.

Cde Chidyausiku said Cde Dabengwa, the then head of Zipra, sent the letter to the chairman of "the secret service organisation of a foreign country" on April 28 1980.

As head of the ZAPU

war council and intelligence organisation, he added, Cde Dabengwa allegedly asked for that country's assistance in the party's "next armed struggle" after attributing a "tense situation" in Zimbabwe to the policies of the Prime Minister, Cde Mugabe.

The Attorney-General said the arrival from Zambia of a consignment of arms at Gwai River Mine assembly point was closely followed by the fighting between Zipra and Zanla in Entumbane in November 1980.

Zipra commanders refused to give details of the weapons to the Joint High Command. After the Bulawayo fighting Cde Dabengwa and the Deputy Commander of the National Army, Lieut-General Masuku, gave instructions for the weapons to be dispersed.

Large-scale caching of weapons on ZAPU properties began, using the transport of Nitram (Pvt) Ltd, a company formed with contributions of ex-Zipra combatants, said Cde Chidyausiku.

Nitram was ostensibly started to help with the setting up of co-operative farming organisations, the

court heard. All these operations were done with the knowledge of the ZAPU leadership, said the Attorney-General.

During the Government disarmament exercise, the party began moving heavy and support weapons around its properties.

The five who appeared with Cde Dabengwa and General Masuku are Isaac Nyathi, Misheck Velanhi Ncube, Masala Sibanda, Nicholas Nkomo and Chaka Moyo.

Mr Waldeck told Mr Adrian de Bourbon, acting for the ZAPU men, that the State had 50 potential witnesses and expected to complete their investigation in October.

Mr de Bourbon said his clients denied the treason allegations and he would be opposed to granting the State a further remand after August 10 because of the time it had had to conduct investigations.

Cde Chidyausiku assured the court that the State had expedited the case, but that in matters of State security a certain amount of delay was unavoidable. A cache of arms had been found only last week, he added.

PROS, CONS OF DEVALUATION DISCUSSED

Harare THE FINANCIAL GAZETTE in English 30 Jul 82 p 3

[Text]

THE devaluation question can only receive swings and roundabout answers according to the July edition of the Standard Bank economic bulletin.

For a while it would certainly help the country's major exporters, giving them a much needed breathing space, it could also jeopardise Zimbabwe's ability to exploit the next upswing in the international economy.

Devaluation of the dollar has been suggested to restore the viability of the mining sector, in particular, and to re-establish the competitive position of manufacturing exports in the South African market as well as in third world countries where Zimbabwe is competing with South Africa.

OVER-VALUED

While there is evidence to suggest that the Zimbabwe dollar is over-valued, it is questionable whether currency depreciation would achieve an improved external payments situation at a time when international demand is at a low ebb.

The major drawback to devaluation in a country which imports more than one-third of its GNP is

the danger that the price-adjustment benefit will be quickly dissipated in the form of sharply rising costs, prices and incomes.

Furthermore, there is little scope in Zimbabwe for import savings as a result of devaluation, which means that any gains will have to be largely concentrated in the export sector. This means that if currency depreciation is to be used as a policy instrument, it must be accompanied by fiscal, monetary and wage restraint, designed to curb domestic expenditure and shift resources into the export sector.

It seems clear that devaluation — or a gradual depreciation of the exchange rate over time — is hardly an optimal policy option, but with important exporters in mining, manufacturing and tobacco finding themselves cast as high-cost producers in a low-growth world economy, there may be no viable alternative.

DEPRESSED

Against the background of a depressed world economy, there is unlikely to be a material improvement in the balance of payments in 1982 though a higher level of aid

inflows may secure a small reduction in the current account deficit.

The trade balance is unlikely to improve significantly and could even deteriorate further unless export volumes pick up in the latter half of the year. The terms of trade cannot be expected to maintain their 1980/81 uptrend while the deficit on invisibles will increase slightly but this should be offset by reduced outflows on investment account.

Arguably, devaluation might provide a cushion for the export sector — a breathing space — pending an upturn in world demand. Equally there is no doubt that a high cost structure at home will jeopardise Zimbabwe's ability to exploit the next upswing in the international economy.

But growth will be constrained by the balance of payments unless, and until, commodity prices recover in international markets and the world economy regains the momentum enjoyed in the 1960s.

Recovery in the Zimbabwe economy will therefore depend on the timing and strength of the economic recovery in the industrialised countries.

KANGAI THREATENS TO DEPORT 'BAD' EMPLOYERS

Harare THE HERALD in English 2 Aug 82 p 1

[Text]

EMPLOYERS who continue to defy Government policy will be deported, the Minister of Labour and Social Services, Cde Kumbirai Kangai, said yesterday.

Speaking at a meeting of domestic and farm workers from the north-eastern suburbs of Harare and the Nijo produce farm, Cde Kangai said employers must choose either to follow Government policy or go.

"Our Government was chosen by the people and it will not hesitate to deport those unscrupulous employers who continue to defy its policies.

"The use of derogatory language at work places, abuse of labour laws and regulations, threats to workers that damage labour relations and the denial of workers' rights and privileges cannot be tolerated by the Government.

"The colonial Rhodesian mentality prevalent in some employers in Zimbabwe today will not be allowed to continue affecting production at work places because of the friction it causes with the workers."

The minister said most of the workers who suf-

fered "as a result of employers' reluctance to change were known to be active party members at such establishments".

His comments came after Cde Kangai was told by workers that they worked for more than the normal hours and were not paid for overtime. At some work places, it was alleged, workers worked 17 hours every day.

The people in this area are still being addressed by employers as bobbejaans, kaffirs, in fact any designation and title that you may think of, the workers told Cde Kangai.

He said he was told that workers' committees would not operate effectively because of fear of instant dismissals. No work place in the area had a works council, which comprises a workers' committee and the management.

Cde Kangai was told that the restructuring of ZANU (PF) in some areas was going to be delayed by employers who tend to suppress political activities among their workers.

"Once you are known to be a ZANU (PF) member by the employer

then you will have to be fired. They fear that you might explain both Government and party policy and ideology and therefore create some awareness of the workers' rights and freedoms among the people," he was told.

"Those given preferential treatment at racist work places are known to be so totally ignorant of their rights that they bow to threats and accept anything that comes their way," the workers said.

Most of the grievances came from workers at Nijo produce farm, which went into liquidation soon after the Government declared it an unlawful property because it belonged to ZAPU.

Cde Kangai ordered the farm manager to reinstate all dismissed workers who had served with the farm for a long time. One of the men had worked at the place since 1965, when Nijo farm was opened.

The manager said he did not know what a works council was, but would try to improve working relations at the place soon.

TRADE FLOW STRANGLER BY FOREIGN CASH PROBLEMS

Harare THE FINANCIAL GAZETTE in English 30 Jul 82 p 3

[Text]

THE shortage of foreign currency in Zambia and the delay with which letters of credit are issued are some of the factors inhibiting the free flow of trade between this country and Zambia.

This was the view expressed by spokesmen of some of the 18 Zimbabwe companies that attended the Ndola international trade fair held in Zambia from July 1 to 17.

In a snap survey conducted by *The Gazette*, the company spokesmen said there was great potential for business between the two countries which could only be realised when barriers limiting the free flow of trade between the two countries were removed.

The public relations manager of Zisco, Mr Morrison Sifelani, whose company exhibited at the fair, said the potential for business in Zambia was unlimited.

"The potential is so good that we might have to update our operations to meet demand. The only limiting factor is the availability of foreign currency for Zambian traders," he said.

Mr Sifelani said he expected business to pick up to more than \$2m in about 18 months. He also said the company's marketing

division would be going back to Zambia to assess further the mechanics of harnessing the potential.

"Zambia is importing steel from Japan, West Germany, India and other countries but I think Zimbabwe is in a position to meet its needs. We would like to break into that market but some companies are offering more flexible credit facilities and therefore Zambian traders are obliged to buy from them," said Mr Sifelani.

Mr Graham Elliot, the agricultural sales division manager of Tinto Industries said his company exhibited a wide range of agricultural machinery which interested local farmers, and the company's agents in Zambia had indicated a great demand for the machinery.

"However, exports to Zambia are severely hampered by the country's lack of foreign currency and the delay with which letters of credit are issued. We are, however, hopeful of securing export orders as a result of the show but this is dependent on Zambia's foreign exchange position. Indications are favourable but they mean nothing without the money," Mr Elliot said.

Sorbaire, a division of Guthrie Holdings, exhibited paraffin and gas operated freezers and fridges. The company's managing director, Mr Frank Guthrie, said export orders worth \$900 000 were made. "We had no competition from black Africa — the only competition coming from South Africa — and I would say the fair was a success," he said.

Prior to the trade fair, William Smith and Gourock had landed an export order for tarpaulins and, because of the potential which existed in Zambia, the company decided to exhibit at the Ndola trade fair.

Mr Peter Lowrie, of the sales division of Filtration Marketing Services, a division of William Smith and Gourock, said the company exhibited army webbing, sleeping bags, canvas tarpaulins, PVC tents and wood burning stoves.

"Our main market is with the Government and the military and the response was very good. We had very little competition from other African countries and the high quality products we produce can compete very favourably with such countries as India and Pakistan," Mr Lowrie said.

DEVELOPMENT OF RURAL AREAS CONSIDERED PRIORITY MATTER

Harare THE HERALD in English 2 Aug 82 p 7

[Text]

THE Government regards development of the rural areas as the cornerstone of creating an egalitarian society with a strong, viable economy, the Minister of Local Government and Town Planning, Cde Enos Chikwore, has said.

In an address to the Zimbabwe United Chamber of Commerce congress in Harare, last week, the minister said he firmly believed that the private sector had as much of a major role to play in the development of the country's rural areas as had the public sector.

Past economy and patterns of development, he said, had been characterised by having well-developed urban centres with strong Western-type economies while underdeveloped rural areas had a depressed economy.

IMBALANCE

"It follows therefore, that in order to correct the past imbalance between the developed and underdeveloped regions of our country, our efforts must initially concentrate on the development of the rural areas."

Cde Chikwore said that this should not be taken to mean that responsibilities to the well-developed areas should be neglected.

He stressed that the development of the rural areas had to involve many agencies from the public sector, which, as a whole, were fully committed to

this ideal. The Government, he added, was not being unreasonable in asking the private sector to make the same commitment to a task that was bound to bring rewards and benefit the nation.

SETTING UP

His ministry had the responsibility for setting up local authorities, which had the task of establishing the physical infrastructure, at local level, so vital to the economic and social development of the country.

"Apart from merely having to provide the essential services such as roads, water, sewerage and refuse collection, the local authorities are expected to promote the economic and social development of their areas."

"They are required to create the conditions which are conducive to economic growth and so-

cial improvements as well as concern themselves with ways and means of attracting private investment and creating employment."

The purpose of the rural service centres was essentially to improve the level of service to the rural community, Cde Chikowore said.

About 500 such centres had been selected by the Department of Physical Planning in consultation with the district councils, but the Government did not have the money or the capacity to develop these centres at one time.

As a result one or two centres in each district had been selected as areas where public sector investment would initially take place. These centres had been chosen because they were considered the most important sites by the people in those areas and also had the most promising potential for development.

ENSURING

"By concentrating on the development of the district service centres, we are at least ensuring that social facilities, services and other requirements are equitably distributed," he said.

Stressing the need for proper planning, Cde Chikowore said much criticism had been voiced against the practice of having high-density residential development on the leeward side of industrial sites.

"Our long-term objective should be one of creating single urban entities and we should not perpetuate the present 'twin town' concept," he said.

Cde Chikowore said that the Communal Land Bill, now before Parliament, would, if passed, be a major step forward and would help to attract private investment in the communal areas. The Bill proposes the grant of freehold titles in selected centres.

'Investment in Rural Areas Will Pay Off'

MORE than \$1 billion will be invested by the public sector this year, and much of it will be spent on improving communal areas, the Deputy Minister of Economic Planning and Development, Cde Chimbidzai Sanyangare, said on Friday.

Speaking at the opening of the Maungwe Agricultural Show in Weya, Cde Sanyangare said the massive investment in the communal lands was an attempt by the Government to make up for past neglect.

"The Government also considers that it is sensible to spend large sums of money in the communal lands, for it is in these areas that rapid growth in

agricultural production is possible, given the needed infrastructure and services.

"It is also true that farmers, small and big, together with private and public companies and corporations, invest more than the Government."

Cde Sanyangare said much of the progress of Maungwe was a result of the success of the savings club scheme.

"The Government is aware of the need to save on a national scale, it is important that these savings are subjected to a diligent policy of investment in the production of goods and services that contribute to the further growth and development

of the national economy.

"The Government will seek to follow a policy of active participation in the economy. We shall

not leave development of our industries to foreigners. The Government is bent on taking an increasing participation in the private sector of our national economy."

Cde Sanyangare said last year approximately \$3 million was invested in savings clubs, which was a commendable achievement, but there was room for further expansion of the scheme to enable even more people to buy in bulk for a variety of income-generating projects.

STATE TO CREATE MORE JOBS FOR RURAL FOLK

Harare THE HERALD in English 30 Jul 82 p 3

[Text]

THE Government is mapping out plans to create employment opportunities in the rural areas to reduce the influx of job-seekers into urban centres, a top Government official said yesterday.

In an interview, the director of Employment and Employment Development in the Ministry of Labour and Social Services, Dr David Chanaiwa, said the migration of job-seekers into urban areas was causing problems and "something positive has to be done to create employment for people in rural areas, especially the youth".

"We intend to establish projects that will create employment for our rural folk. This is one positive way of dealing with the influx problem at the moment," he said.

Dr Chanaiwa, who was appointed to his post at the beginning of this month, said the urban industrial sector was incapable of absorbing most of the people with no skills from the rural areas.

He said his department would hold meetings with workers, workers' committees, employers and trade unions throughout the country to explain its main objectives and strategies regarding employment in Zimbabwe.

The department would also undertake special labour-intensive programmes in both rural and urban areas to try to resolve the problems of chronic and seasonal unemployment.

Dr Chanaiwa, a former director of African Studies at California State University in Los Angeles, slated employers who were still practising discrimination when

employing people to fill top posts in commerce and industry.

"My department will not tolerate such actions. The department will pay special attention to the eradication of job discrimination in Zimbabwe.

"Any distinction, exclusion or preference based on race, tribe, colour or sex will not be accepted."

He added: "We want to make sure that people are offered employment on the basis of qualification, experience and merit. That is what we want to see happen in Zimbabwe."

Dr Chanaiwa said the department would also provide career guidance to ensure that every Zimbabwean had equal access to employment opportunities.

"Ideally, we should have public employment offices in growth points throughout Zimbabwe. At the moment our offices are mostly in urban areas."

ZCTU PUSHES TO RAISE MAXIMUM PAY LIMIT FOR POOR

Harare THE HERALD in English 31 Jul 82 p 3

[Text]

THE ZCTU is to ask the Government to raise the maximum pay increase permitted for those in the lower-income group from 23,5 percent to 50 percent.

Yesterday's ZCTU statement on the Budget, said the organisation had already appointed a committee to approach the Ministry of Labour and Social Services.

It wants the current maximum rise that can be negotiated for those earning up to \$1 200 a year to be increased, to narrow the wage gap.

It said the Budget increase in sales tax would hit the lower income group hardest.

The statement urged a freeze on any increase in public transport fares following the rise in the cost of fuel.

The Zimbabwe United Chamber of Commerce yesterday passed a resolution condemning the increases in sales tax and fuel costs.

Zucco's national treasurer, Dr Sikhanyiso Ndhlovu, said the increase in sales tax from 12 percent to 15 percent on general consumer goods and from 15 percent to 18 percent on consumer durables would hit the ordinary man.

The extra cent a litre on petrol and 2c a litre on diesel would increase travel costs for working people.

"Zucco wants the Government to reconsider the tax increases on these essential commodities," said Dr Ndhlovu.

● A 12-member executive committee was elected in Harare yesterday at the end of the Zucco congress.

The committee, headed by the new president Professor Stanlake Samkange, was given the task to negotiate a merger with the Associated Chambers of Commerce of Zimbabwe (Accoz).

Other members elected after the congress were: vice-presidents, Mr Jairus Munyoro and Mr Edmond Shoniwa; secretary general, Mr Chad Ndoro; vice-secretary generals, Mr Jonathan Ndhlovu and Mr Taderera Gonzo; treasurer Dr Sikhanyiso Ndhlovu; vice-treasurers, Dr Irene Chikaka (Mrs) and Mr Titus Chikandi; and organising secretaries, Mr Abishai Mudzingwa, Mr Simon Mkandla and Mr Zephania Bafana.

WELFARE GROUPS STRUGGLE FOR SURVIVAL

Harare THE HERALD in English 2 Aug 82 p 7

[Article by Sheila White]

[Text]

MOST of Zimbabwe's welfare organisations are struggling for survival in the face of rising costs and dwindling donations.

So severe are the financial problems facing them that some are now being forced to fall back on their capital resources in order to meet running costs. Others are incurring such huge losses that their continued existence is in jeopardy.

Talk of either having to curtail expenditure, with resultant amenities reductions, or of closing their doors altogether is rife among those people responsible for the welfare organisations.

Even more disconcerting is the fact that none of them appears to be able to see light at the end of the tunnel with fund-raising activities and donations falling every month.

Deep in financial trouble is the Margareta Hugo School and Workshop for the Blind at the Copota Mission in Nyanda where the future of 350 blind schoolchildren, 60 adult workers and several blind pensioners is in jeopardy.

OVERDRAWN

In an interview the treasurer of the Reformed Church in Zimbabwe, Mr Christian van Wyk, said that at the end of December the school account was overdrawn to the extent of \$80 000.

"We help Copota as much as possible but even with good donor support from overseas it is still not in a sound financial position. In fact, things have never been as grim as they are at the moment; at the same time there are more children in the school than ever before," Mr Van Wyk said.

Wage increases have resulted in higher production costs in the cane workshops. At the same time, the demand for cane furniture has fallen dramatically.

TRIMMED

"Sources of potential new income are being tapped and the workshops are being trimmed to make them more viable. Church funds which would have been channelled towards helping Copota have also depleted while there are more calls on the little money available," Mr Van Wyk said.

A steady stream of visitors to the mission had in the past proved to be an excellent source of revenue since they had bought items produced there.

"Now very few visitors go there which has made it even harder to keep going and the future is uncertain," he added.

Also uncertain about just how long it will be able to keep going is the

Emerald Hill School for the Deaf in Harare which has 139 children aged between four and 18.

The principal, Mr Albert Karikoga, said that the \$45 a term fee paid by parents for each child could not be used to buy essential books since "then there would be no money to feed the children".

"This fee has to cover boarding, medication, transport and equipment. Hearing aids are very expensive while the money we are forced to spend on batteries for them is prohibitive with rising costs.

CLOSE DOWN

"We badly need new machines. Our finances are horribly low and unless financial help is forthcoming we may be forced to close down," Mr Karikoga said.

In the meantime he described the school as "struggling but still living — even if only just".

Nobody needing help is ever turned away from the doors of the St Giles Rehabilitation Centre in Harare, but for just how long those doors will be able to remain open is questionable.

The centre's accountant, Mrs Rhoda Jolly, did not conceal her concern as she recounted how donations had fallen from \$197 000 during the last financial year to \$134 000 in the present one.

ESCALATED

During the same period running costs had escalated from \$567 000 to \$727 000.

"In the past we had money. We got money. We kept going. Now we are cutting corners to carry on, drawing on dwindling reserves and could be facing closure in time," Mrs Jolly said.

She blamed rising expenditure, falling donations and the increasing number of patients being treated free of charge for the deficit.

Medical and para-medical staff salaries were wholly paid by the Gov-

ernment while about \$15 000 a month was realised from treatment charges, hospitalisation and children's hostel fees.

"But more and more people are coming forward for treatment who cannot afford to pay and nobody needing help is ever turned away. During the past year we have spent some \$19 000 on these free cases while at the same time it has become much harder to raise funds.

"Our collection boxes which used to be popular are no longer wanted since they constitute a responsibility against being stolen, so our revenue is falling in every direction," Mrs Jolly said.

Fund-raising constituted a vital part of the Zimbabwe Trust's viability which in centres throughout the country cares for mentally handicapped adults and children.

The trust's director, Mr Nigel Collings said members of the white community who had been actively engaged in fund-raising projects were leaving the country.

As a result donations were dropping while many commercial concerns which used to give individually had amalgamated to form one group from which now only a single donation could be expected, Mr Collings said.

"We are not yet biting into our capital reserves but may have to," commented Mr David Robertson, manager of Harare's Dorothy Duncan Centre for 53 blind and physically handicapped people.

DETERIORATED

"Our financial position has deteriorated badly this last year. Donations have dropped as have receipts from our flag days.

"We are not desperate yet but there is little sign of light at the end of the tunnel," Mr Robertson said.

His sentiments were echoed by Mr Jairo Jiri, founder and life president of the association which bears his name caring for

1 500 handicapped adults and children throughout Zimbabwe.

"Financially we are in a terrible state. Unless the public comes forward to support our work we shall be facing an unequal struggle," Mr Jiri said.

To make the rural people more aware of the association's work, fetes were being held to raise funds in the communal lands.

LEAVING

"Many former white donors are leaving and the black community must now undertake the responsibility of providing for the handicapped members of their society," Mr Jiri urged.

The exodus of white people who had supported charitable organisations

in the past now meant that the black population must "start putting their hands into their own pockets", in the view of Mr Tony Upfill-Brown, chairman of the Zimbabwe Cheshire Homes.

Mr Upfill-Brown described the country's first Cheshire Home in Harare's Baines Avenue as being "deep in debt".

"We still owe \$30 000 for capital expenditure and need money for running costs. There are now estimated to be nearly 300 000 disabled people in this country of which the Government can cope with only 6 000. What happens to the rest of them?" he said.

Expressing the view that there were too many charities chasing ever dwindling resources, Mr Upfill-Brown warned that people must now learn how to look after themselves.

A substantial shortfall in fund-raising had resulted in two overseas tours having been cancelled this year in which handicapped sportsmen and women would have taken part, the chairman of the Zimbabwe Association for the Disabled, Colonel Don Grainger, said.

An umbrella organisation for the rehabilitation of all forms of disability

through sport and social integration with four provincial branches and eight clubs, a lack of funds has recently resulted in the suspension of development plans for sporting, recreational and rehabilitation facilities.

NEVER AS LOW

"Our funds have never been as low as they are now. Many public-spirited people who supported us before have left Zimbabwe, profitability in the private sector has decreased, while costs and demands for help from charitable bodies have increased," Colonel Grainger said.

A solution to the present cash crisis facing welfare organisations appears hard to find, but a prominent black businessman who has himself been engaged in humanitarian work for many years did not mince his words when he said: "Only the war-wounded have a right to be supported by the State.

"In the past our extended family system ensured that handicapped people were taken care of within the community. Now they are placed in various institutions for society to support.

"People simply cannot dump their handicapped

family members and ask society to bear the burden."

Asked what in his opinion could constitute an answer, Colonel Grainger expressed the view that many welfare organisations might still be regarded as being "white-orientated with black leadership content to take a back seat".

"I believe implicitly that any organisation which is not wholly representative of the people, not only at grassroots level but at that of policy and decision-making is wholly wrong," Colonel Grainger said.

Post-independence experience had proved in other African states, such as Kenya, that many welfare bodies collapsed following a white exodus.

"They have then been resuscitated allowing the local people to find and form their own leadership to cope with their own problems," he added.

Serious doubts have also been expressed in many quarters about money being collected for "bricks and mortar" as in the case of the \$225 000 recently raised for the new national cancer centre in central Harare.

COMBATING

"All the organisations combating cancer in Zimbabwe already have adequate premises in which to carry out this important work. There is no justification for spending this sort of money on bricks and mortar at a time when there is so much work to be done in the rural areas," a spokesman said.

Facing ruin is the Society of the Destitute Aged (SODA) whose secretary, Mr John Njerere, said last week that having completed a residential home for 24 old people in Highfield there was now no money for furniture or running costs.

"Our finances are in terrible shape. Donations have almost stopped coming in and we are facing ruin," Mr Njerere said.

Summing up the situation, Mr Bob Stumbles, chairman of the National Association of Societies for the Care of the Handicapped (NASCOH) said his organisation was strongly advocating the elimination of unnecessary dissipation or duplication of labour, effort, facilities and finance among welfare societies in Zimbabwe.

"It is apparent that sources of finance previously available to many of the associations dealing with the disabled are dwindling and this must have serious repercussions," Mr Stumbles said.

CSO: 4700/1695

STATE SURVEY HIGHLIGHTS NEEDS OF DISABLED

Harare THE HERALD in English 2 Aug 82 p 7

[Text]

RESULTS of the national disability survey indicate that the need for rehabilitation centres in Zimbabwe greatly exceeds those already in existence.

This was disclosed in an interview with the chairman of the National Disability Survey Committee, Cde Mike Davies, who said the survey, conducted late last year, was now ready for presentation at a national conference and workshop to be organised by the Ministry of Labour and Social Services in Harare this month.

The survey had revealed that there were a minimum of 276 000 severely disabled people in Zimbabwe with visual disability and those associated with the lower and upper limbs accounting for over 60 percent of these cases.

Other statistics show that:

- Almost half of all disability occurs within the first four years of life.
- Disease, accidents and war between them were responsible for the majority of identified causes of disability.
- Ninety-five percent of all disabled people had either never attended school or had not progressed beyond primary education.

Cde Davies said that detailed data tables on types of disability, cause, education, occupation, mobility, treatment history, use of appliances and many other aspects would be presented to the conference.

Conference delegates would receive a comprehensive briefing on the survey results as well as participating in workshop sessions designed to produce action-orientated plans.

"These will include disability prevention, early detection and treatment, rehabilitation and co-ordination of services, as well as appliances and other need areas," Cde Davies said.

The emphasis would be on practical intervention in such need areas with the full participation of disabled people themselves:

Funded largely by UNICEF the survey was the first of its kind and magnitude to have been conducted in Africa.

"It had yielded a wealth of data on all aspects of disability and will be of immense value to all Government and non-Government agencies working with handicapped people," Cde Davies said.

It had attracted widespread international interest, while the results would have a significant influence on the direction into which future technical and financial aid would be channelled, he added.

"What has become abundantly clear from the survey results is that the need for rehabilitation centres throughout Zimbabwe will greatly exceed those already in existence," Cde Davies stressed.

GLOOMY OUTLOOK AS LOCAL HOTEL INDUSTRY FACES SEVERE SHORTAGES

Harare THE FINANCIAL GAZETTE in English 30 Jul 82 p 2

[Text]

The hotel industry is being hit by a widespread shortage of vital commodities — mainly due to an overall lack of foreign currency.

A recent survey has revealed there is an existing or anticipated shortage of commodities provided by 90% of hotel suppliers — and in two years time shortages will be common.

The survey, conducted by representatives of the Zimbabwe Suns hotel group and Cresta Hotels, revealed that the beef supply situation is particularly serious.

Although the Cold Storage Commission is currently supplying beef at 110% of normal levels, due to the recent mass slaughterings, in six months time the situation is likely to be dramatically reversed and severe beef shortages will result.

Firms which supply commodities in large quantities to the hotel industry were canvassed during the survey, and most of them anticipated an overall price increase of general commodities of between 15-20% over the next two years.

50% RISE

Among the essential items which hoteliers are now having difficulty in obtaining are glasses and cutlery — the price of which is expected to rise by 50% in the next two years. The shortage is attributed by glassware suppliers to a lack of foreign currency.

Pork products, poultry and eggs are also becoming scarce or are likely to do so in the future. Colcom, the country's main pro-

ducer of pork products attributes this to the lack of foreign currency to purchase sausage skins and cans. They say it is possible that an allocation system may be introduced for pork products.

A shortage of poultry is likely partly because of the anticipated increase in demand for chickens due to the decrease in the red meat supply. The fact that chickens are not particularly profitable to produce does nothing to help. Suppliers say that the shortage of eggs is very serious, due to increased demand and the cold weather.

CIGARETTE SHORTAGE

Even cigarettes are likely to run short in the future, according to leading local cigarette manufacturer BAT, because foreign currency for wrapping papers and filters is inadequate. BAT projects a price increase of some 40% for cigarettes in the next two years.

Karina Carpets, a major supplier to the hotel industry, reports a shortage of carpets and knitting yarn, due again to the lack of foreign currency. Because of this lack, Karina's Mutare plant is working at only one-quarter of its capacity.

The strongest message coming through from the survey is that hoteliers should plan their commodity purchases very far ahead, and place their orders for supplies as far in advance as possible to avoid hardships caused by the shortages.

BIGGER ELECTRICITY PRICE RISES TO FOLLOW SIX PERCENT RURAL INCREASE

Harare THE FINANCIAL GAZETTE in English 30 Jul 82 p 3

[Text]

ELECTRICITY tariff surcharges for rural domestic users, including farmers, throughout Zimbabwe have been increased from 5% to 11% as from the August electricity accounts. But at present no change is to be made to the existing national surcharges of 27,5%.

However, this surcharge may also be increased later following increases in bulk electricity charges from the Central African Power Corporation.

A notice sent out by the ESC to consumers on the No 2 (Rural Domestic) Tariff list recently said that the Minister of Industry and Energy Development had authorised the ESC to increase the tariff surcharges from August, in order to provide a larger portion of essential transmission and distribution capital out of revenue.

"This has become necessary due to severe restrictions being placed on the extent of the commission's borrowings from the local money market," said the notice.

Large increases in electricity charges will also come into force, probably from October, for Harare and Bulawayo municipal

electricity users. In Bulawayo the expected increased surcharge is about 59% and it is probable that a similar surcharge increase will apply to Harare after present bulk tariff studies now being undertaken by the municipalities are complete. Authorisation for the proposed electricity tariff increases is also necessary from the Government before they may be implemented.

All these revised electricity tariff charges follow considerable increases in the Central African Power Corporation's charges for

bulk supply of electricity of about 54% for its three Zimbabwean customers — the ESC, the Bulawayo Municipality and Harare Municipality.

INCREASED CHARGES

The increased CAPCO charges stem from the development of the Hwange 1 power plant linked to the national grid and CAPCO will increase its bulk power charges from October 1. After that date all electricity undertakings drawing power from CAPCO would be running at a loss unless they, in

turn, raise tariffs in keeping with bulk supply costs.

But another and even bigger increase will face all electricity consumers next year, when CAPCO will incur a full year's charges on the Hwange 1 power station.

These increases in electricity costs will have a considerable ripple effect through Zimbabwe, particularly in the fertiliser, mining, industrial and manufacturing sectors.

Financial spokesmen this week said the biggest impact will be on metal producers and chrome, copper and nickel refineries, such as Bindura Nickel and MTD Mangula among others, together with fertiliser producers.

These industries are the biggest users of electrical power in Zimbabwe. Fertiliser costs are likely to increase appreciably, while not earning foreign currency, as the products are essential for agriculture within the country. The National Railways of Zimbabwe will also be affected later when the electrification of the rail system is complete.

RICE FROM KOREA WILL SOON EASE SHORTAGE, SAYS HOVE

Harare THE HERALD in English 2 Aug 82 p 3

[Text]

SIX thousand tonnes of rice from the Democratic People's Republic of Korea will arrive in Zimbabwe shortly, the Minister of Trade and Commerce, Cde Richard Hove announced on Friday.

Cde Hove, who was speaking to members of the Gweru Chamber of Commerce, said the recent shortage of rice had been caused by a drought in Malawi.

On the question of shortages of other commodities, Cde Hove said: "I have set up within my ministry a branch which has the responsibility for investigating reported shortages of essential goods. The branch is involved in the investigation of reported or anticipated shortages of such items as cooking oil, rice, enamel hollow-ware, blankets, school uniforms and fertiliser, and has been or is being instrumental in finding a solution to each shortage."

Cde Hove said certain shortages were being ex-

acerbated by hoarding, and in particular, cooking oil was in short supply because some manufacturers were making margarine instead of oil.

"Let me sound a note of warning on the difficulties which some people are experiencing in obtaining bread. The Grain Marketing Board is allocating wheat to the millers at a rate which will ensure that our wheat stocks will not run out before the new crop comes in, and the shortfall of supply over demand is not sufficient to account for the shortage of bread.

"I believe it is possible that some bakers are switching production from the standard loaves sold at controlled prices to uncontrolled high-priced fancy breads.

"Fancy breads were left uncontrolled on the strict understanding that the standard loaves would always be available and if bakers do not abide by this understanding they must suffer the consequences."

KIDNAP WON'T RUIN TOURIST TRADE CLAIMS CHITEPO

Harare THE HERALD in English 3 Aug 82 p 1

[Text]

THE kidnapping of six foreign tourists nine days ago has not tarnished Zimbabwe's image, the Minister of Natural Resources and Tourism, Cde Victoria Chitepo, said last night.

Her ministry had been assured that another Encounter Overland tour due to arrive in Zimbabwe in five weeks will go ahead as planned.

"It is unfortunate that outside publicity has taken these isolated incidents out of context. But it has not affected the security of Zimbabwe.

"We feel very upset at the moment and rely on tourists who are still in the country to report the situation as it is — safe and under control — when they get back home," said Cde Chitepo.

Some foreign tourists had already cancelled planned trips to Zimbabwe following news of the kidnapping.

The president of the Hotels and Restaurants Association, Mr John Moore, said yesterday this was the result of exaggerated and untrue reports in the overseas Press.

Cde Chitepo confirmed that the tourist industry would be adversely affect-

ed in the short-term by the "regrettable" situation.

Concerned about the general situation, she went to Mutare at the weekend to confer with police on the release of three tourists who were intercepted when their plane flew over a prohibited military zone last week.

Mr Moore said he had reported the incident to the minister who "was very helpful in securing the release of our clients".

His association was working closely with the Government to stop bandits and criminals from holding the tourist industry to ransom.

As a result the association and the Tourist Board would meet today to discuss posting a reward for anyone with information that might lead to the im-

mediate arrest of the "criminals" responsible for killing three people in Inyanga, he said.

Mr Moore stressed that tourism was not being affected by widespread banditry but by isolated incidents perpetrated by "unknown criminals".

As a result there have been some holiday cancellations.

However, Mr Moore assured tourists that large areas of Zimbabwe were still "very safe".

"Tourists must realise that even where these incidents had taken place the presence of security forces has made them safer than before."

He advised tourists to report any incident or harassment to police, hotel managers or the nearest Government authority in the area immediately.

SPECIAL YOUTH ACADEMY TO BE ESTABLISHED

Harare THE HERALD in English 2 Aug 82 p 4

[Article by Davison Maruziva]

[Text]

A NATIONAL youth academy will be set up in Harare to train specialist youth brigades, the Mashonaland Central provincial officer in the Ministry of Youth, Sport and Recreation, Cde Ngozi Pawadyira, has said.

Cde Pawadyira said the specialist brigades would be used to instruct young people at centres throughout the country. Already there were centres at Chaminuka in Mount Darwin, two in Mutare, one at Indiva in Gweru and another at Pangani in Filabusi.

Cde Pawadyira, who was speaking at a meeting addressed by the Minister of Local Government and Town Planning, Cde Enos Chikwore, at Nzvimbo in the Chiweshe communal area, said youth brigades began training in May last year.

The meeting was also attended by the Deputy Minister of Water Resources and Development, Cde Joseph Kaparadza, an MP for Mashonaland Central, chiefs Negomo and Chiweshe and people from Rushinga, Bindura and Centenary.

Agriculture, physical education and paramilitary training, he said, were compulsory among

other subjects like motor mechanics, welding, building, home economics, book-keeping and accounts.

Cde Pawadyira said that the concept of establishing youth brigades had been misunderstood. They were not sinister paramilitary bodies. The aim was to evolve programmes and projects leading to co-operatives.

He hoped that projects like carpentry and animal husbandry would be given an initial capital injection to see them off the ground.

He said that the National Youth Council was working on a programme to set up co-operatives for the young people who complete the two-year brigade training.

It was from these groups that the building brigades would eventually

emerge, Cde Pawadyira said.

Asked about what work the youth brigades in the area were doing, Cde Pawadyira said they were involved in various projects including repair and construction of roads, clinics and schools. One of the brigades was assisting the Danish organisation, Development Aid from People to People (DAPP) with the construction of a clinic at Mushumbi Pools.

At Nzvimbo, the brigades were involved in projects like poultry rearing, gardening and afforestation and in every one of the seven districts throughout the province, the youth were growing and marketing produce.

In Bindura and Chipuriro there were welding brigades. "The idea is to

make and sell their products. What they get will be theirs. Ministry officials only provide them with guidance."

One of the main functions of the brigades, he explained, was community service, such as helping the aged, harvesting and improving health standards.

Cde Pawadyira said that there were about 30 000 young people in the youth brigades in Mashonaland Central. The province was divided into wards and it was expected that eventually there would be 105 brigade groups, each representing a ward in the province.

A provincial centre for the youth brigades in the area would probably be set up at Dzimwe Secondary School because the basic infrastructure already existed he added.

BRIEFS

POLICE IMPOUND PASSPORTS--Zimbabweans traveling from Botswana by train had their passports impounded by plainclothes policemen in Bulawayo at the weekend. Plainclothes policemen converged on passengers disembarking from the Francistown-Bulawayo train on Saturday morning at the Bulawayo station and told passengers to hand over their passports. Passengers were first told to wait for their passports outside the station but later the officer in charge of the operation told them to collect their passports at the Bulawayo Central Police Station yesterday. Only Zimbabwean passport-holders were affected. Passengers were told holiday allowance allocations were being investigated. Angry passengers, mostly women carrying young children, shouted at the policemen when they heard the instructions and all complained that they had neither food nor accommodation to last the weekend. They had to report for work yesterday and could not waste the weekend in Bulawayo.--Ziana [Text] [Harare THE HERALD in English 3 Aug 82 p 5]

ZANU (PF) ORGANIZATION--ZANU (PF) Mashonaland East will restructure the party there this weekend, the area's acting publicity secretary, Dr Edward Pswarayi said yesterday. [Text] [Harare THE HERALD in English 3 Aug 82 p 1]

ZAPU VICTORY--Beitbridge--ZAPU won all the seats in the Beitbridge Rural Council Ward 8 elections on Thursday. According to results announced by the secretary for the Mwenezi-Beitbridge Rural Council, Mr Basil Butcher, ZAPU won four seats in a straight contest with ZANU (PF).--Ziana [Text] [Harare THE HERALD in English 31 Jul 82 p 1]

CURRENCY QUOTA CUT--Foreign currency allocations for the commercial and industrial sector have been cut by a minimum of 9 percent from their April level, the Minister of Trade and Commerce, Cde Richard Hove, said yesterday. At the annual general meeting of the Gweru Chamber of Commerce, Cde Hove said the July to September quota for foreign currency had been cut but, because of certain priority allocations within the commercial sector, it was probable that importers of average priority goods would find their allocations reduced by more than 9 percent. [Text] [Harare THE HERALD in English 3 Aug 82 p 1]

TOBACCO PROBLEMS--The all-important tobacco industry in Zimbabwe is "on the knife-edge of viability" due to escalating production costs, said Mr R. "Tubby" Wrench, the new president of the Zimbabwe Tobacco Association after his recent election to office. In an interview published in The Farmer magazine, official mouthpiece of the Commercial Farmers Union this week, Mr Wrench said that the ZTA is nearly ready to present to the Government a report showing the industry to be "precariously placed" in the wake of escalating costs. One of the biggest challenges now facing the industry was to maintain and hopefully improve Zimbabwe's position in the world markets. This could only be done by producing tobacco and landing in its factories in Europe at attractive prices, competitive with other countries. He emphasised there was an all-embracing problem involving economic production as well as selling it economically "via our merchant friends who are just as much part of the industry as we are." They had tremendous responsibility in presenting that tobacco to the European manufacturers. He said that the ZTA was in the middle of a financial and a practical study of the taking over of the auction floors. "But at present it would be premature to say one would go one way or the other. "Certainly in the very near future we may have to make major policy decisions in the light of the findings of these two investigations." He said the paper to be presented to Government would be on "how precariously placed the industry is, vis-a-vis the returns we can expect for placing our product on the auction floors as against the cost of getting that product on the auction floors." [Text] [Harare THE FINANCIAL GAZETTE in English 30 Jul 82 p 2]

CSO: 4700/1696

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