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15 June 1984

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POSTMORTEM OF LUSAKA, NAMIBIAN SETTLEMENT TALKS

Johannesburg THE STAR in English 23 May 84 p 10

[Article by Allister Sparks, in the "My View" column: "Despite the Lusaka Setback, a Namibia Deal Could Still Be Struck"]

[Text] Given a little more trust and preparation, South Africa and Swapo could easily do a deal to overcome the last problems in the way of Namibian independence.

It came tantalisingly close to being concluded at last week's all-party meeting in Lusaka, failing only, in the words of one diplomat, because the Zambian intermediaries who set up the meeting didn't do enough "pre-cooking" of the key elements.

Without that, it proved too difficult to get agreement across the floor of the conference hall. Mutual suspicions are still too strong and these began welling up when Mr Dirk Mudge and some of his friends in the internal parties started playing their old nit-picking games, when rumours started that South Africa had a hidden agenda, and finally when the Soviet Union stuck in a mischievous oar on Swapo's side.

But the makings of a deal are still there. Long conversations after the conference with some of the key people involved, including Zambia's President Kenneth Kaunda, made it clear that an agreement is attainable.

The indications are that South Africa is at last ready to quit Namibia and let it become independent. Having used a whiff of destabilisation to get a mutual non-aggression treaty with Mozambique and a ceasefire with Angola, South Africa feels it has found other and cheaper ways to secure its borders against black nationalist insurgency than continuing to occupy Namibia as a buffer.

As for Swapo, despite its rhetoric it has little choice. The ceasefire between South Africa and Angola has cut its guerilla trails and made it difficult to continue waging an effective war of independence.

What is in prospect is a trade-off. South Africa is prepared to break with the United States and drop "linkage" — the precondition that Cuban troops must leave Angola before Namibia can become independent — in return for a modification of Security Council Resolution 435 to reduce the supervisory role of the United Nations during Namibia's transition to independence.

South Africa would like to expand the joint commission it has set up with Angola to monitor their ceasefire into a joint regional commission that could monitor the Namibian independence elections as well.

Such a "regional settlement" would be easier for the South African Government to sell to its followers back home, people who have an abiding dislike of the United Nations and would regard its high-profile presence in Namibia as a humiliation.

Swapo has not said so publicly, but in private conversations in Lusaka one gains the impression that under certain conditions it would be prepared to agree to such a trade-off.

All that is needed is agreement on the face-saving formulas for doing these two things. That is what the Lusaka conference was set up to achieve, but narrowly failed to do.

South Africa needs a pretext for dropping "linkage", to which it has been jointly committed with the Americans for more than two years. Prime Minister P W Botha indicated in a speech in Parliament on April 27 what this pretext could be.

"The people of South West Africa, including Swapo, cannot wait indefinitely for a breakthrough on the Cuban question," he said.

"If the political parties, including Swapo, can in the meantime come to some agreement with regard to the future of their country, South Africa will not stand in the way of such an agreement."

On May 7, the day before the start of the Lusaka conference, Foreign Minister Pik Botha said the same, adding in reply to a question that the Cuban issue was "hypothetical."

President Kaunda gave a cautious indication in an interview after the Lusaka meeting of what the formula for amending Resolution 435 might be.

First of all, he wanted what would have been called the Lusaka Declaration, signed by all parties, to affirm Resolution 435 and call for its immediate implementation regardless of the Cubans. "Then we would have sent a message to Mr P W Botha asking him to meet his side of the bargain," President Kaunda said.

The meeting itself could not amend 435, Kaunda said. To attempt that would be "difficult" and even "dangerous." But once mutual trust had been established by a common affirmation of the principles contained in it, then the parties could seek agreement on amendments which could be put to the UN Secretary-General, who in turn could ask the Security Council to make the requested changes.

A few days later it became clear that there would be no resistance from within the UN secretariat to such amendments. Mr Brian Urquhart, the Under-Secretary-General, told the Johannesburg Financial Mail in an interview in New York that 435 was no "holy cow" and could easily be amended to meet changed circumstances, provided everyone involved agreed to the changes.

Would Swapo agree? Publicly, it is adamant in its commitment to the resolution as it stands, but in private conversation it becomes apparent that this is primarily because of its deep mistrust of South Africa, which it feels has played games on Namibia for years.

Any suggestion of modification, and Swapo suspects more South African hanky-panky.

"If we really believed South Africa was serious about letting Namibia become independent with free and fair elections, then we wouldn't object to having someone else we could trust do the monitoring," one leading Swapo member remarked.

Clearly, therefore, the quid pro quo South Africa wants is negotiable. Mistrust is the only obstacle.

Mistrust is what prevented the Lusaka conference from clinching the deal. It became evident in conversations afterwards that the Swapo delegates had not fully appreciated the significance of Mr P W Botha's April 27 statement and Mr Pik Botha's of May 7.

If indeed there was a tacit understanding between South Africa and Zambia to do a deal on the basis of a linkage-435 trade-off, as I believe there was, then the Zambian intermediaries had failed to get this across convincingly enough to the Swapo delegates. This is where the "pre-cooking" was inadequate.

Many Swapo members came to the meeting suspecting that it was a con trick; that South Africa had no intention of settling and that they were being brought there under false pretences to give a stamp of recognition to the Multiparty Conference prior to that alliance of internal parties making a public relations tour of some African and European countries.

From the outset they were on the lookout for evidence of this — and being in that frame of mind they soon saw it.

At the close of the second day, the MPC responded to attempts to draw up the Lusaka Declaration by saying they had no mandate from their members to commit them to such a thing. Suspensions surged.

Kaunda smoothed over this crisis, but next day the MPC's two white parties, particularly Mr Dirk Mudge's Republican Party and Mr Eben van Ziji's National Party, continued quibbling over attempts to get consensus on the "linkage" and 435 issues. They exhumed old objections about the lack of UN impartiality that were supposed to have been buried nine months ago.

Kaunda believed he could resolve these differences too, but it was taking time and Swapo's suspicions were increasing all the while. Swapo assumed that the two white parties were acting as agents of the South African Government which wanted the declaration blocked. There could be no tacitly agreed deal in the background, they concluded. It was all a trick.

Adding to these suspicions was the fact that South Africa had been bandying about the idea of an interim government of national unity, including Swapo, to run Namibia until independence.

The idea is anathema to Swapo, which sees it as a deadly plot to draw it into participating in an unpopular colonial regime which would destroy its popular appeal as a liberation movement that has been fighting a long war of independence.

The idea was first put to Swapo when a South African delegation headed by the chief of Military Intelligence, Gen Pieter van der Westhuizen, met secretly with Mr Sam Nujoma and two other Swapo leaders in Lusaka on January 29. Swapo said no.

It was referred to again, obliquely, in Mr Pik Botha's May 7 statement. And as the Lusaka conference entered its final, weary stage, rumours began circulating that the MPC had brought with it a secret document dealing with the formation of an interim government of national unity.

About this time, according to sources close to the conference, Soviet diplomats in Lusaka made contact with the Swapo leadership. What passed between them is anybody's guess, but given the high reading on the suspicion meter at that stage it would not have been difficult to persuade the Swapo leaders that they were being lured into a trap. Nujoma told Kaunda he had had enough and he ended the conference with a bitter speech.

In itself the conference was a failure, but the elements of the deal it was called to conclude are still there, still capable of being clinched.

CSO: 3400/1035

BRIEFS

KWANZA-NORTE FUEL MARKETING FIGURES--N'Dalatando. The provincial subdelegation of SONANGOL [National Fuels Company] for Northern Kwanza during the first half of this year sold 870 tons and 600 kilograms of fuels (gasoline, gas-oil, gas and oil) and 8,400 liters of lubricants, earning 9,444,298 kuanzas, as its manager Domingos Antonio Borges reported to ANGOP [ANGOLAN PRESS AGENCY]. The official stated that a large portion of the fuel was consumed by the enterprises, agricultural units, and other organizations in the province. The supply of fuel to the rural areas is handled by private outfits because SONANGOL does not have enough transportation equipment of its own, Antonio Borges reported. To keep the province's population supplied with a normal flow of petroleum, the fuel distribution company established distribution agencies in various townships; this improved the supply of this product to the population. Domingos Borges felt that prospects are good for the start of fuel sales activities during this year, if there are no conditions that might interfere with normal supply shipments since SONANGOL has a fully operational fuel receiving sector in the province. [Text] [Luanda JORNAL DE ANGOLA in Portuguese 13 May 84 p 5] 5058

STUDENTS IN PORTUGAL PRAISE PARTY--Students who are scholarship recipients of the People's Republic of Angola in Portugal on Sunday, in Lisbon, praised the clear-sighted way in which the leadership of the MPLA-Labor Party led the nation; they did so at the end of their second general meeting. The students in particular restated their support for the President of the MPLA-Labor Party and of the People's Republic of Angola Jose Eduardo dos Santos as he carries out the tasks entrusted to him by the Angolan people. Meeting on 12 and 13 May, the scholarship students declared that they were wholly committed to the accomplishment of their study tasks and that they looked forward to finishing their courses in order to be able to make a contribution to the national reconstruction efforts in Angola. During its two days of activities, the second general meeting of scholarship students in Portugal analyzed questions having to do with the condition of the organization, social questions connected with scholarship students, relations between the union of Angolan students and the local students, as well as culture, sports, and scholastic advancement.

The meeting also elected its leadership bodies and approved the activity report for the year that has just ended. There are 75 Angolan scholarship students

in Portugal and they are studying in Lisbon, Pacos de Arco, Coimbra, Porto, Braga, and Vidago. The closing session was chaired by Dr. Fernando Franca Van-Dunen, Angola's ambassador-plenipotentiary in Portugal. [Text] [Luanda JORNAL DE ANGOLA in Portuguese 15 May 84 p 3] 5058

NEW UNIVERSITY NAME--Luanda, Monday. "UNIVERSIDADE Agostinho Neto" (University Agostinho Neto) is the present name of the former University of Angola, a resolution adopted by the first university council said. The resolution underlines that the late President Agostinho Neto "was the first principal of the University of Angola, assuming opportunely and courageously the direction of this institution in a moment, when ignorances, prejudice, dogmatism and opportunisms were threatening its continuity." President Neto, it must be remembered, was an outstanding intellectual whose poetry and humanist views granted him respect all over the world. He was the owner of the "Lotus Prize" among others, and was made "doctor honoris causa" by a Nigerian university. Besides being a physician, he was president of the MPLA--workers party and the people's republic of Angola. The resolution which names the Angolan university after the Angolan president was adopted during the university council meeting in Luanda.--[Text] [Lusaka THE TIMES OF ZAMBIA in English 1 May 84 p 1]

CSO: 3400/1006

FREED BRITISH HOSTAGES SAY UNITA'S STRENGTH UNDERESTIMATED

Johannesburg THE CITIZEN in English 17 May 84 p 14

[Text] LONDON.--British hostages released by Unita believe their government underestimates the strength of Dr Jonas Savimbi's guerrilla forces in Angola.

The 16 Britons were released at the weekend after 11 weeks in captivity, and they maintain that last year the British ambassador to Luanda, Mr Marrack Goulding, told them Unita was "incapable" of attacking the diamond mining town of Kafunfo, where they were seized.

The Foreign Office said yesterday this was "not entirely accurate" and that they had been told that in a civil war situation, it was impossible for absolute guarantees to be given for their safety.

Their estimates of the number of Unita fighters involved in the attack on Kafunfo range from 500 to 2 000.

The hostages travelled 1 280km through the bush, on foot and by truck, to Jamba base camp in Southern Angola.

One of the men, Mr Ian Fenton, said Unita operated without fear of air attack south of the Benguela railway, which bisects Angola.

He and others said they believed Dr Savimbi when he told them he now felt able to attack any target in Angola.

They think Unita controls more than the one-third of the country with which it is generally credited.

Mr Robert Jones, a mine manager, said there were about 100 diamond security forces in the area and a few Angolan soldiers.

"They did the sensible thing and took to their heels. There was almost no returning fire."

The hostages praised Unita for their discipline and the good treatment they received while they were in captivity.

They all signed letters guaranteeing that they would not return to Angola for the duration of the civil war--and now most of them face an uncertain employment future in Britain.

Eight of them work for Mining and Technical Services (Mats), which operated only in Angola. A company spokesman said they were on full pay at present, but the situation was under review.

Another two worked for Diamang, the Angolan state diamond company, and will now have to look for new jobs.

A spokesman for Mats said the future of the whole diamond mining operation in north-eastern Angola depended on the Luanda government's ability to protect expatriate miners.

He said the company, which was set up by De Beers, had not been in contact with Unita.

A De Beers representative, Mr Peter Galliegos, is flying to Luanda next week for talks with the Angolan government about the security of the company's personnel.

CSO: 3400/1006

DOMESTIC TRADE TO STRESS RURAL AREAS

Luanda JORNAL DE ANGOLA in Portuguese 12 May 84 pp 1, 12

[Text] In spite of the organizational efforts it had made, the Ministry of Domestic Trade did not accomplish the plans and programs for supplying the goods needed for sale in the rural areas last year and the outlook for any improvement in this year's sales activities is rather dark. This observation was made by Vice Minister of Domestic Trade Joaquim Guerreiro Dias, as he spoke in Luanda on Thursday at the close of the seventh Expanded Consultative Council meeting of this ministry which was held between 8 and 10 May at the Costa do Sol Hotel.

The failure of the plans and programs for supplying the peasants, according to the vice minister, is due to transportation problems and the late arrival of products in the country.

The official admitted that the Domestic Trade Ministry down through the years issued many directives and guidelines but their practical implementation always turned out to be the "Achilles heel."

"If the principles and guidelines are not carried out in practice, they are nothing but expressions of ill will which in no way contribute to the progress of our activities," he summarized.

Lack of coordination and the employment of various work methods, he said, made it impossible to have the Domestic Trade Ministry function efficiently as a single agency; only if there is unified leadership on all levels will it be possible to carry out the party's and the government's guidelines and to accomplish the activity plans.

Joaquim Guerreiro Dias admitted also that the trade circulation plan last year showed that, although this was the year during which the delivery of goods

to the Armed Forces was accomplished in the best way, the result nevertheless was negative when it came to supplying consumer goods to the population.

He argued, however, that the low supply volume delivered to the people was essentially due to various factors, such as deficient supplies due to the low output and productivity indexes and the deficiencies connected with the problem of foreign exchange availability.

Tied to these factors were furthermore the difficulties that came up in connection with the signing of contracts and the preparation of documents between the producing enterprises and Foreign Trade [Ministry] and the Domestic Trade [Ministry] distributing enterprises.

Joaquim Guerreiro Dias announced that the MINCI [Ministry of Domestic Trade] is trying to ensure the implementation of the 1984 commodity supply plan as expressed in the emergency supply programs for the population and sales in rural areas.

"The accomplishment of this fundamental task is the indispensable condition for the accomplishment of a series of other fundamental tasks," he said.

He promised that the improvement in methods and forms of selling to the public --in an effort to improve the level of services rendered to the people, especially in the hotel and related fields--is one of the basic objectives of the MINCI during this year.

Regarding the overall attainment of these objectives, the domestic trade minister guaranteed the completion, this year, of a survey of the hotel and related industries network--a task which will be carried out parallel to the organization of a card file on the wholesale and retail trade as well as service network.

The Seventh Expanded Consultative Council meeting of the Ministry of Foreign Trade--whose activities were carried out under the guidance of the minister, Adriano Pereira dos Santos Junior--recommended the redrafting of the agreement currently existing between the MINCI and the Ministry of Foreign Trade, providing for import authorizations issued in favor of private merchants.

The meeting decided that, in filling out the "B.R.I.'s" [expansion unknown], it would be necessary, in addition to the article category, also to indicate the particular type of product to be imported so as to prevent any subterfuges which certain importers sometimes resort to.

As for controlled products, the Enlarged Consultative Council of the MINCI proposed that the National Supply Commission adopt a regulation on control

mechanisms aimed at complete compliance with the figures contained in the goods circulation plan.

The provincial delegations of the MINCI were urged, by 31 May, to forward to the appropriate ministry division the age census of all urban consumers with a view to the start of the application of the new supply system that was approved recently by the Party Central Committee Secretariat.

The meeting blamed the government of the Province of Northern Kwanza for violating the higher guidelines issued on the sale of coffee and noted that this government agency must correct the financial irregularities deriving from this failure.

According to the meeting's recommendations, Luanda and Bengo are to submit a draft proposal on sales in areas bordering on these two provinces to the central agency by 31 May.

The central agency was given the job of getting together with the competent agencies and reviewing the problems of prices charged by enterprises involved in the sales process in rural areas.

Still looking at sales in the rural areas, the Consultative Council noted that the political-military situation prevailing in some provinces should not constitute an absolute obstacle and urged the provincial supply commissions to find the ways necessary to permit the accomplishment of this task.

The Consultative Council of the MINCI praised the provincial delegation of Southern Kwanza for the determination displayed in carrying out guidelines from higher up.

5058

CSO: 3442/379

HOG RAISING HAMPERED BY IRREGULAR FEED SUPPLIES

Luanda JORNAL DE ANGOLA in Portuguese 13 May 84 p 5

[Text] The development of hog raising in the Lubango group will experience a new decline in its reproduction cycle this year due to irregular feed supplies.

The regional feed factory which supplies this product that is extremely important in the development of any livestock activities is today experiencing a situation that is quite worrisome due to the lack of raw material (corn); its daily output dropped from 40 tons down to 10 tons.

Another fact which hindered the development of hog raising in the group is hog cholera which over the past 2 years necessitated the slaughtering of about 4,676 hogs.

As a department of the Ministry of Agriculture, the Lubango livestock production unit is involved primarily in poultry and hog raising; at this time it has 1,292 hogs, including 200 breeding sows which could yield more than 170 tons of meat annually.

In the opinion of production unit managers, the regional feed factory should replace its raw material (corn) with other cereal crops, such as "massango" and "massambala" which are produced on vast areas of land in some townships in the Province of Huila; besides, they have a high nutritive value for the animals.

According to group manager Adao Sebastiao, other forms of feeding the animals are now being considered in an effort to cope with this fodder shortage; these forms of feed would include other types of fodder, especially alfalfa, green corn, squash, and beets; in addition to their nutritive value, they promote the efficient use of arable land around the units.

As regards poultry raising, the official noted that prospects in this area are not exactly the best due to the situation at the Luanda incubating plant

which supplies chicks to the other poultry raising centers throughout the land.

Last year, this group--which had an installed capacity of 270,000 young chickens--only supplied about 12,000 capons to the people of Lubango; this is only one-tenth compared to the year 1982; this decline is above all due to the deterioration in the country's political-military situation which prevented the shipment of chicks to the Province of Huila.

5058

CSO: 3442/379

ECONOMIC MINISTER ON DEVELOPMENT PLANS

Conakry HOROYA in French 8 May 84 p 2

[Interview with Mr Richard Haba, minister of economic affairs, by Jérôme Dramou, date and place not specified]

[Text] [Horoaya] Mr Minister, since your appointment as head of the Department of Economic Affairs, you have surely had time to look over the files left by the previous regime. What report have you drawn up?

[Haba] From the outset, it is advisable to point out that by taking power on 3 April 1984, the Military Committee of National Redress, CMRN, inherited from the former regime a situation characterized by economic stagnation. The first action of the government of the second republic was the fundamental change of the political, economic and social orientation, whose key word is economic liberalism, which means freedom for all economic agents to invest in the sectors of their choice, to reap the fruits of their investments and to enjoy them peacefully.

So free enterprise is characterized by competition and efficiency, in a spirit of national solidarity and social cohesion. The CMRN has translated this position into an appeal launched to all good wills, whether individuals or corporations, private or public, national or foreign, to participate in the recovery process.

This action bears on the detailed analysis of the country's economic situation to determine a diagnosis of the present state of the nation. Under the terms of this report, the government envisions concrete measures of structural reform and boosting production.

Coming back to the question asked, I would say that we inherited a crumbling national economy exposed to serious budgetary, payment and economic growth difficulties.

In the face of the 2.8 percent annual demographic growth rate, the GNP per inhabitant is 276 US dollars per year, one of the weakest in the world, while in the Ivory Coast, for example, the GNP per inhabitant is 1,100 US dollars per year. The rate of growth of the GIP (gross industrial product) is 2 percent per year; in other words, the growth in production is slower than that of the Guinean population.

In 1983, public receipts went down at least 30 percent compared to 1982, which explains, among other things, the payment difficulties of the Guinean treasury.

Moreover, the country's foreign dependence, especially in foodstuffs, forced us to import more than 80,000 tons of rice each year, at the time when the balance of payments deficit increased considerably in 1983 totalling 200 million US dollars, which is the equivalent of three months of exports of our ores.

Now, the nation exports almost nothing but bauxite and aluminum because rural production has been deeply disrupted for 26 years and supplying two-thirds of the Guinean population is done based on the free market whose prices are at least ten times higher than the controlled prices of the official market.

Let us add to this somber picture the fact that the foreign debt is heavy while firms and public finances are characterized by bad management. All the preceding explains the economic and financial impasse which the second republic is in the process of appraising.

In summary, the previous regime's economic choices are--we are convinced--the underlying causes of the distortions characterizing all the country's sectors.

[Horoya] What have been your criteria?

[Haba] Our criteria on that score are the classical ones. But the previous regime left us unreliable statistics, bank balance sheets and situations whose only objective was to hide the country's underlying realities. It is this state of fact that we are trying hard to correct, in order to end up establishing the nation's real accounts.

[Horoya] What are the steps that you have advocated for setting the nation's economy right?

[Haba] The task of setting Guinea's economy right is a long-term undertaking. The CMRN has already taken a certain number of measures, such as suppression of standards, dams or inter-regional controls, of Encobé and Fapa. This set of reform has since then assured the fluidity of exchanges as well as the free circulation of men and goods in the countries [sic].

Then, the CMRN set up an economic commission which is currently examining the accounts of all the nation's economic sectors for a recasting of institutions and the rapid resurgence of our economy.

Thus, the putting in place of new institutional structures has already begun.

[Horoya] But Mr Minister, there are some impatient people who feel that it is not moving fast enough.

[Haba] I think that implementing a new economic policy requires quite a bit of clear-headedness and perseverance. This is why, in the short and medium term, when we have finished diagnosing this heavy heritage, we will orient our efforts in two priority directions.

First, we are going to work out a 1985-1986 intermediate development plan, by which Guinean and foreign investors will get an exact idea of our priorities. Thus the privileged sectors will be identified.

Second, this supposes that we tackle the nation's economic and financial problems starting right now, a condition without which we would not be able to benefit from the foreign investments which we were talking about a little while ago. The question is important because the country's whole economic future is dependent on it. But in this field, as in others, we are not ashamed to appeal for bilateral and multilateral technical assistance.

Moreover, you have noted that, for several days now, the World Bank has been visiting among us.

Linked to the question asked, there is the problem of underemployment in the tertiary sector and particularly in public administration. On this subject, it needs to be pointed out that, since 3 April, the state has ceased to be a boss who monopolizes everything to become a partner in loyal competition with the private sector. That means that we are going to move ahead to a general administrative reform and renounce the maintaining of companies which are not profitable and often even show a deficit, in order to promote public firms, both mixed and private, of various sizes but characterized by economic efficiency.

It is my duty to tell you that the problems are so complex and diverse that a single working session is not sufficient to go over them in detail.

We will certainly meet again for further explanations.

9895

CSO: 3419/645

BCRG COMMUNIQUE ON BANKING POLICIES

Conakry HOROYA in French 8 May 84 p 2

[Communique by Captain Kabine Kaba, minister-governor of banking and insurance]

[Text] The advent of the second republic on 3 April 1984 was warmly greeted by all the people of Guinea. And since taking power, the CMRN, in its vast program of recovery, has put particular stress on the good and correct functioning of its banking institutions.

Among the immediate measures, they [sic] [misprint for "it," i.e., the second republic?] instituted, by means of a radio-broadcast communique of 12 April 1984, the universality of banks with the idea of permitting free deposits and access to all banking operations for all citizens.

Once more, the CMRN, through the Central Bank, is launching an appeal to all Guineans with the idea of making the bank the only deposit center for their assets.

The Central Bank will not accept any responsibility for unfortunate situations which might befall any holders of funds who would not have confidence in our banking institutions and who would restrict themselves to futile hoarding.

In fact, the risk of robbery, fire or monetary reform are factors which could destroy the wealth accumulated by certain people who have no confidence in the banking system.

Guinean banking is at the disposal of absolutely everyone. It repeats once more its concern to guard the privacy of citizens' assets as well as maintain their free utilization. It invites all citizens to entrust to the banks the safeguarding or management of their assets in national or foreign currency.

Long live the glorious people of Guinea!

Long live the republic!

9895

CSO: 3419/645

SOUTH AFRICAN DAILY ON MNR BANDITS' CAMPAIGN OF VIOLENCE

Johannesburg THE STAR in English 16 May 84 p 11

[Article by Brendan Nicholson]

[Text]

TETE — They walked into Pacassa village in the middle of the day, heavily armed and arrogant — at least 90 Mozambican "bandidos" firing random bursts of gunfire as though they had ammunition to waste.

Then they looted the homes of the little food the hungry peasants had managed to save in the drought and raped two teachers.

Apparently unconcerned that the village was on a main road only 37 km from the well-garrisoned city of Tete, the gunmen made themselves comfortable for several hours.

Then they gave the villagers pamphlets promising to free them from "Frelimo oppression", set fire to their huts and slipped away into the bush.

When I arrived the next day with a party of officials from the Department of Natural Calamities and a strong escort of government soldiers, the village was still smouldering.

Domingos Albino Botilha, a village teacher, explained that the "bandidos armadas" (armed bandits) had arrived at the village as an army vehicle drove past it.

After a 15-minute shootout the truck drove off and some of the soldiers were left behind. They dropped their guns and ran into the bush.

Just one more day in the misery of Mozambique, one more drought-stricken village

burned by gunmen who call themselves freedom fighters but who do not appear to have any sort of political programme or desire to win local support.

DIED OF WOUNDS

Occasionally the villagers referred to the bandits as the "Matsangas" — after former MNR commander Andre Matsangaisa, who was badly wounded in a Frelimo offensive near Gorongosa several years ago, was flown to what was then Salisbury in a Rhodesian Air Force helicopter and died there of his wounds.

The average Mozambican believes, and so, say diplomats, do most Western governments, that the MNR was created by Rhodesia's intelligence services and then taken over by Pretoria after Zimbabwe's independence. South Africa has consistently denied reports that it had links with the MNR.

Now Mozambicans have been told by President Samora Machel that, at Nkomati, South Africa agreed to stop supporting the bandits. The more privileged among them have heard that South African helicopters will be coming soon to help track the gunmen down.

They are not the only ones likely to be confused.

"What happens," asked a foreign worker based in Maputo, "when South African servicemen, fighting on Frelimo's side,

are killed by guerillas trained and armed by Pretoria to overthrow Machel?"

There is no doubt that, since the Nkomati Accord was signed, the security situation in Mozambique has worsened.

Government spokesmen in Maputo claim that interrogation of captured MNR members has revealed that about 1 200 trained guerillas were sent into Mozambique by South Africa from a camp near Phalaborwa in the Eastern Transvaal during the negotiations leading up to the signing of the security agreement.

ORDERED SOUTH

Captured guerillas told a Maputo rally recently that they were among 400 MNR members operating in northern Gaza and Inhambane who were ordered to move south after the signing.

Of Mozambique's 10 provinces only Cabo del Gardo in the far north is now free of attacks.

After ambushes on the trucks using the highway that links Zimbabwe to Malawi, through Tete, about 300 Zimbabwean troops with armoured trucks were sent to Mozambique to help escort convoys.

At least 50 people have been killed in the past three months by gunmen spraying passing trains indiscriminately with machine-guns.

Still more have been killed in ambushes on main roads less than 100 km north of Maputo.

At least one truck has been destroyed on the road from Maputo to the South African border post at Komatipoort and the trains which carry thousands of Mozambican miners to South Africa now stop for the night at Moamba station and move on at day-break.

Tete is supplied by heavily

guarded convoys of 60 or more trucks from Beira and relief workers say that some of the refugee camps in Inhambane Province are desperate for food but relief convoys cannot get through to them.

Many key points are guarded by tanks and armoured personnel carriers.

The land around the Gorongosa National Park is still "bandit country".

LANDMINES

Much of the area between the Kruger National Park and the Maputo-Beira road is patrolled by large numbers of troops and roads there have to be checked daily for landmines.

But the government says that, since major offensives began in August last year, it has captured about 4 000 of an estimated 15 000 guerillas believed to be operating in Mozambique and has cleared areas previously under MNR control.

But officials estimate that about 8 000 "bandidos" are still at large and determined to do as much damage as possible before they run out of equipment.

Even when that happens the rebuilding of Mozambique will need a massive effort and many years.

Much of Mozambique's fragile infrastructure that remained after natural disasters, such as drought and floods, and a chronic shortage of skilled personnel, has been systematically torn apart by the MNR and each new government project becomes an instant target.

Even a few men with landmines can continue to do damage out of proportion to their numbers and economic recovery will be impossible until the "bandidos" are gone.

VAN NIEKERK COMMENTS ON LUSAKA TALKS, SWAPO

MB252106 Windhoek DIE REPUBLIKEIN in Afrikaans 17 May 84 p 1

[Text] Dr Willie van Niekerk, administrator general of South-West Africa, speaking in an interview on the radio and television services of the South-West African Broadcasting Corporation, has said that those planning and executing acts of terror in South-West Africa/Namibia will encounter the full strike capability of the security forces.

Dr van Niekerk also said that peace could have been achieved at the Lusaka conference if SWAPO had been prepared to reach an agreement with the Multiparty Conference [MPC].

Dr van Nierkerk put it this way: Three days of negotiations took place between SWAPO and the MPC on a declaration that would bring peace to the territory. At the 11th hour SWAPO and its delegation decided to continue with the MPC on any joint declaration.

I would like you to know that two Ovambo men lost their lives in a gruesome manner on Monday, 14 May, in Ovambo.

I would like to assure the local residents that those who plan and execute acts of terror will face the full strike capability of the territory's security forces.

In answer to a question on SWAPO stating that it had not talked to South Africa in Lusaka, the administrator general replied: The claim is not true. The administrator general of South-West Africa was present, and he is South Africa's representative in this territory. Furthermore, SWAPO had direct talks with the MPC during the conference.

Concerning SWAPO's claim that it went to Lusaka to negotiate peace with South Africa, the administrator general said: South Africa is always available for peace talks in the territory. These could easily take place if SWAPO stops its terrorist activities. There is no war between South Africa and any other country. South Africa's security forces are here to protect the local inhabitants against acts of terror by SWAPO.

The administrator general gave statistics in this connection: 1,008 Ovambo citizens have been killed, 974 wounded, and 1,847 abducted.

If SWAPO ceased its acts of terror tomorrow, it would not be necessary for the security forces to protect the local inhabitants.

If SWAPO does not stop its acts of terror, the administrator general warned that it must know that the security forces will do everything in their power to confront them.

They will do it with goodwill, Dr van Niekerk said.

In reply to a question on whether the Damara Council, the Namibian Independence Party, the Namibia Christian Democratic Party, and individuals such as Anton Lubowski and Chairman Fredericks of the Evangelical Lutheran Church attended the conference on their own or as part of any of the participating delegations, Dr van Nierkerk said: The people and groups that you have named attended under the SWAPO banner.

CSO: 3401/49

NAMIBIA

PAPER SAYS IMPLEMENTING RESOLUTION 'IMPOSSIBLE'

MB280528 Windhoek DIE REPUBLIKEIN in Afrikaans 18 May 84 p 4

[Editorial: "Bomb Blast Hit Far"]

[Text] Seldom if ever has someone's words boomeranged so suddenly as happened this week with SWAPO's Nico Bessinger. Almost while announcing that SWAPO's "military struggle" will continue to "your doorstep," a bomb exploded in the center of Windhoek but fortunately for Bessinger and company, there was no loss of life.

The silence in the SWAPO camp is almost as deafening as Wednesday night's bomb explosion. Suddenly no one knows anything about violence.

This will not really help matters because the excuse that SWAPO's internal wing does not know what the external wing is doing is not good enough. The two wings have had a lengthy discussion about this in Lusaka.

Just as unfortunate is Windhoek Advocate Anton Lubowski, whose claimed support for a SWAPO-type peace in our country is ripped to shreds by the explosion in the city center a few meters from his office.

The whole bombing incident is undoubtedly a sign of what happened last weekend in Lusaka at the talks between the Multiparty Conference [MPC] and SWAPO. The terrorist organization has simply rejected the hand of peace extended by the MPC with an invitation to participate peacefully in the politics of the territory.

It is understandable because those who have seen Nujoma and his henchmen in action in the political sphere for the first time realize that the instigators of violence and terror are totally politically retarded--people who practice politics through the barrel of an AK-47.

Even if this opinion on the mentality and capability of the SWAPO leadership is the only plus factor of that abortive conference, it is worth it.

One hopes that some politicians in the 1980 election who are still around and who said they would rather be allies of SWAPO than of the National Party of Namibia have seen the kind of alliance this really is.

Now there is talk of a further meeting between the MPC and SWAPO. Regarding the recent conference, we said at the beginning that it would be appropriate if the MPC tells SWAPO personally that it could participate in the new political process if it lays down its arms.

SWAPO listened and has given its answer loud and clear in Windhoek on Wednesday night.

It would be fruitless to talk to SWAPO until it can show that it has ceased its acts of armed terrorism.

One last thought about last week's conference; according to reports, the MPC as well as the administrator general's delegation have clearly stated that there can be no talks of implementing Resolution 435 until the United Nations stops its bias towards SWAPO.

It is a very important matter which is often lost sight of in the equally important dispute on Cuban withdrawal from Angola. This matter, perhaps more than the Cuban stumbling block, makes the implementation of Resolution 435 totally impossible.

CSO: 3401/49

COMMENTARY ON BOTHA'S EUROPEAN TOUR

Johannesburg SOWETAN in English 29 May 84 p 4

[Editorial]

[Text] **THE Prime Minister Mr P W Botha left South Africa yesterday on the first leg of his European tour amidst reports of planned hostile receptions from anti-apartheid campaigners and various opposition politicians in those countries.**

Clearly, Mr Botha will consider just the fact of the tour as a political and diplomatic coup. Indeed, coming in the wake of the Nkomati Accord, and other initiatives in southern Africa, this tour will be the cherry on top of the cake for Mr Botha.

Mr Botha's hosts on this tour have suggested that it is just as important for them to speak to Mr Botha as it is to speak to the Russians. They have suggested that the fact that they will speak to Mr Botha does not necessarily mean that they support the policy of apartheid, which, they added, they abhor.

The important thing about this tour, however, is not just how much Mr Botha can get out of it politically, but what effect the tour will have on the future of southern Africa as a whole.

There is no doubt that while this Government has been praising itself over Nkomati, internal dissent has grown. The point that was made at the time of Nkomati — namely that the problems of this country do not lie in Mozambique or Swaziland or Lesotho, but right here in Soweto, Langa, KwaMashu and Pretoria — is still just as valid.

We would hope that this point will be made to Mr Botha in no uncertain terms. It is not a visit to these countries that will bring stability to our troubled country. It is not the signing of accords with helpless neighbours that will bring peace to this region.

It is ironic that while accords are the in thing in South Africa, the Government continues its hostile attitudes to any black organisation that dares speak out for the black people of South Africa.

Apartheid is still just as well and alive as it was years ago. What Mr Botha will be doing is trying to sell a repackaged apartheid, and only those who wish to be fooled will think it is a different product.

We are still faced with the same problems we faced years ago. Right now, the Government is trying to flog the concept of the new Constitution to the coloureds and Indians, but the majority of these people know that no constitution which excludes the majority of the people of a country can work.

While trying to be all nice to the coloureds and Indians, black political organisations are being harassed and their officials intimidated. Organisations like the UDF have been labelled fronts of the African National Congress — simply because

some of the people in that organisation have had links with the ANC in the past. That is viewed as a softening exercise so that such organisations can be banned.

What Mr Botha must know is that no matter how much he indulges in diplomatic forays, he must still squarely address the problems internally. Unless this is done, all his efforts to win sympathy and friendship overseas will be worthless.

CSO: 3400/1035

PROBLEMS OF 'NEW DISPENSATION' EXAMINED

Johannesburg THE STAR in English 21 May 84 p 6

[Article by Peter Sullivan]

[Text]

It is a complicated exercise, but if answers are not found there could be more chaos than consensus during the first years of the new dispensation, writes Peter Sullivan, The Star's Political Correspondent.

Members of all parties represented in the last all-white Parliament of South Africa are busy examining the entrails of the new constitution to see exactly how political ideals will work in practice.

It is a perplexing operation, for decisions have to be taken on rules of procedure, on times, on venues, on methodology, on conventions, on budgets... all decisions affecting a bunch of politicians not yet elected.

Not that this Parliament lacks experience in taking decisions on behalf of the unrepresented. It has been doing that since 1910 with few qualms. But this time the decisions will be examined and tested within a year by the people for whom they were taken.

There is an important parliamentary committee called (somewhat obscurely) the Standing Committee on Standing Rules and Orders which is now having a devilish job deciding how the new standing joint committees will work in the new three-chamber Parliament. So it has set up several sub-committees to investigate problems and suggest solutions. A series of problems have al-

ready been identified but not yet solved.

The main problem appears to be the Budget. This is the basis of all parliamentary work, the way the electorate gets political satisfaction for taxes taken by the Government and spent wisely or unwisely.

Under the Westminster system, the Cabinet Ministers each swear an oath of secrecy, decide how the cake should be made and how it should be cut, and inform Parliament of this decision during the Budget speech. Then each Minister defends the way he has spent his allocation.

The Minister of Finance has to defend the way he raised taxes and the way he (with collective Cabinet responsibility) allocated the funds.

Under the American system, the President bargains with Congress on how much should be raised in taxes and on where this should be spent. It is all done publicly. Sometimes Reagan wins, sometimes Congress refuses to play ball.

Under South Africa's new system, it will be difficult to have collective Cabinet responsibility, for the Cabinet will contain members of different political parties who believe in

totally different budgetary policies. No credible coloured or Indian party leader is going to accept a budget laid out along National Party lines and then defend that to his caucus.

Some leeway will have to be given to Cabinet members to disagree with the final decision, despite all the talk of consensus.

Another problem causing sub-committee members to scratch their heads is the question of the No-confidence debate. It will work all right in the white House, for the Government will defend its policies against the Official Opposition.

But in the (coloured) House of Representatives, the leader of the dominant party will have to defend his party against the Leader of the Opposition and then he will have to table his own motion of no confidence in the State President (unless he agrees in toto with National Party policy). The same has to be repeated in the (Indian) House of Delegates.

Where does this leave the State President — spending most of the first month of Parliament defending himself (and his Government) against three motions of no confidence? Seems a little crazy, but that appears to be the plan at the moment.

Then there is the real nitty-gritty: the cure-all of the new system is supposed to be the standing joint committees still to be established, on which all parties will serve. They will operate by means of consensus where this can be achieved.

Assume a Bill is introduced to desegregate the railways. If there is consensus in the joint committee there will be a joint sitting of all three Houses which will rubber-stamp approval of the Bill and it will become law. Fair enough.

Now assume it is not approved by the joint committee. Then the same Bill is introduced separately in the three Houses and a public debate ensues.

But how is consensus not achieved in the joint committee?

Does each party in each of the chambers have proportional representation on each standing joint committee (of which there are 20 to 30)? What if a party, say the Purified Hindustani Party, has only three seats in one of the Houses — how does it get representation on the major committees (Defence, Foreign Affairs, Finance, Railway, etc)? And does its member's vote count as much as the National Party member's vote. And is there voting in the first place, because remember the committees act on consensus, not conflict politics?

Once a joint committee has taken a decision, is this decision binding on Parliament? Can MPs still move amendments to the Bill already approved by the committee?

These are some of the trickier questions which have to be decided before September, when the first session of the new Parliament takes place. These are the questions a sub-committee is addressing, with, apparently, a mixture of success and bewilderment.

There are still some physical matters to be dealt with by the politicians, bureaucrats and protocol people: parking for MPs for three Houses, airport privileges, Press representation in three Houses, timing of debates, sifting of joint committees.

Other intriguing questions relate to the State President.

What happens at Question Time? If a question is asked in one House, does that stop MPs in another House from asking the same question (such as who filled the Minister's swimming pool)?

If all are allowed to ask all questions, is every day a question day and does the State President have to spend half his day answering questions in the Houses?

Then there is protocol. Is it the State President's duty and obligation to attend debates in the Houses, or is it his privilege? When he is called to a House, is it because it is the House's privilege or is it because it is the House's obligation to call him? What if he is called to two Houses at the same time — where does he go physically, and who decides this for him, along which parameters?

If it seems complicated, that's because it is. One can only hope that in examining the entrails of the Constitution Act, the sub-committees will come up with solutions which the standing committee can accept. If they don't, there could be more chaos than consensus for the first years of the new dispensation.

Or, as Dr van Zyl Slabbert told referendum voters, they (the constitution's authors) must go back to the drawing board — if it still exists.

VOLKSWAG: 'RIGHT-WING, REACTIONARY POLITICAL MOVEMENT'

Johannesburg SUNDAY TIMES in English 13 May 84 p 29

[Article by Willie Esterhuyse, Professor of Philosophy, University of Stellenbosch:
"Afrikaner Unity Is Gone Forever"]

[Text]

THE emotional display in Pretoria's Skilpad Hall last weekend — so dramatically transmitted into South African homes by television — was enough to give civilised people the cold shivers.

Never in the past decade have racism, the glorification of the volk, militarism and emotional incitement been so clearly in partnership as they were at the launching of the Afrikaner-volkswag.

That this took place under the banner of Christianity and culture is not only a scandal but an illustration of the dangers of reactionary fanaticism.

How must these events be interpreted?

What should be clear to everyone is that the Volkswag is not a

cultural organisation, but a right-wing, reactionary political movement.

The cultural banner is a cunning ruse to disguise the political motive and to make it easier for people who until now were hesitant to seek their political home with the HNP or CP to associate themselves with reactionaries on an organisational basis.

Professor Carel Boshoff and his wife regard themselves as bridge-builders between fragmented reactionaries, which is why the professor speaks like a prophet to whom a great vision has been revealed.

That he and his circle of disciples are fanatically convinced of their "calling" to "save" the Afrikaner people must not be underestimated.

In this respect the new movement shows all the characteristics of right-wing, reactionary movements elsewhere in the world. The militancy is not an accident; re-

actionary politics are militant by definition.

Because extreme right-wingers believe fanatically in the truth of their cause, their ideology becomes not just a religion but a commitment through which even militant acts are justified.

In this respect there is no difference between right-wing reactionaries and left-wing radicals.

That the Volkswag has nothing to do with culture and everything to do with party politics is apparent from the pamphlet which advertised last Saturday's gathering. The word culture appears only three times and in a warped form.

What we read instead are "sacrifices which are made for freedom and the right to exist", the "right to self-determination", "resistance through struggle", "a white fatherland", "forming the laager", "awareness of the Afrikaner people's white, Christian past", etc.

What all this is really about is quite simple: the Volkswagters cannot accept the democratic result of the referendum.

They are still clinging to:

● On the one side, the Verwoerdian concept of autonomous homelands for South Africa's different national and racial groups — an idea which they want to execute at all costs.

● On the other hand, they proceed from the assumption that the maintenance of culture can take place only when a cultural community also controls political power.

Their homeland must also be a cultural homeland, entrenched and made safe through political domination. This is why the integration bogey was used to frighten people into the Tortoise Hall.

It must be accepted that there are many people in South Africa — English and Afrikaans speaking — who have a great fear of political integration within a unitary state.

This fear apparently runs deeper than one would think, and this means that the Volkswagters probably do have a certain appeal.

The reason for this is that

they can spell out in precise terms what they have in mind for South Africa — however impracticable those ideals may be.

Reformists have the disadvantage that reform must be an open-ended process. One cannot specify in advance precisely how everything will develop.

A measure of uncertainty is unavoidable, especially in the first phase of a reform process.

In this context — and to combat exploitation by the Volkswag — it will be necessary to formulate clear guidelines on the socio-political rights of the urban blacks.

What the founding of the Volkswag emphasises is that the political schism of a few years ago is final and irrevocable — and with it the myth of political unity among Afrikaners. The possibility of restoring that unity has been finally liquidated.

Afrikaners in particular (and English speakers in general) will now have to make their choices without compromise. People can no longer sit on the fence trying to placate both sides.

Those who hoped that they could thereby stroke the reactionaries back into, for example, the NP camp will have to accept that it is not worth the effort.

For the political schism of a few years ago has now acquired a new dimension

— a split in the very philosophy of life among Afrikaners.

On the one side there are those who are still locked up in the ideology of apartheid and who are prisoners of the past.

On the other side are those who, slowly but surely, are freeing themselves from this ideology and are seeking the future of South Africa in alliances and associations with other population groups.

The founding of the Volkswag underlines this shift.

The reasons why its founders felt compelled to create the Volkswag are also illuminating. One can deduce that they did not find the existing Afrikaner institutions suitable for the execution of their ideology.

The political schism is thus also having an effect on the organisational level of Afrikanerdom, especially because the Volkswagters lost the battle on the broad organisational front.

The future will show whether this struggle will also be waged within the portals of the Afrikaans churches. This possibility cannot be ruled out — however regrettable it will be.

The most meaningful aspect of the founding of the Volkswag is that it has provided irrefutable evidence that South Africa is experiencing a process of reform.

Right-wing reactionaries

panic only when their vested interests and political visions are threatened — and that is when they creep from their holes and act in a militant fashion.

Anyone who can still say, in the light of this reactionary mobilisation, that South Africa is not on the path of reform and that apartheid is not on a slippery slope is so blinded by his or her antipathy towards the National Party that he or she deliberately minimises what is going on among Afrikaners.

I personally believe that the Volkswag will fulfil a necessary function. It will purify Afrikaner organisations of right-wing reactionaries and force policy-makers, when it comes to their position on the future of South Africa, to draw clear boundaries between themselves and right-wing politics.

What is the Volkswag's future? In my opinion, not much. Its growth potential is limited because most Afrikaners have already made the move away from petty racial ideology to political realism.

The leadership corps of the AV will also begin to regard each other with mistrust.

Dr A P Treurnicht and Mr Jaap Marais will at some time or other begin to wonder if the professor of missiology will not demand another mission for himself — namely, political leader of a party which unites all the right wing.

The militancy and emotional incitement of the foundation meeting also frightened off many Afrikaners — people who still have a sense of decency and refinement do not want to be associated with pistol-packers.

Perhaps May 5 will become an important date; not because the Afrikaner-volkswag was founded, but because South Africans of all language, colour and cultural groups who want to work for justice realised on that day that they need each other and that South Africa needs them to stand together to save our country from reactionary and radical politics.



CSO: 3400/1035

DECISION TO CLOSE SIX BLACK HIGH SCHOOLS HIT

Johannesburg THE STAR in English 18 May 84 p 7

[Article by Revelation Ntola: "Despised 'Bantu Education' Is Cause of Boycott"]

[Text]

The decision by the Government this week to close six black high schools in the Pretoria townships of Atteridgeville and Saulsville could have been intended as a warning and a deterrent to other schools.

It may also have been meant as a punishment for the 6 000 pupils who ignored an ultimatum by the Department of Education and Training to end their four-month school boycott.

When he announced that he was closing the schools, the Minister of Education and Training, Mr Barend du Plessis, asserted that "the forces of subversion" had hijacked the pupils and that inciters were using the school boycott to further their own ends.

Mr du Plessis said this week the high schools — Hofmeyer, D H Peta, Saulsville, W F Nkomo, Saulridge and Flavious Mareka — would remain closed until at least the end of the year.

GRIEVANCES

Pupils' grievances included objection to the DET's implementation of a schooling age limit of 20, which has prevented many pupils who failed matric from a second attempt, and improper teacher behaviour. Demands included the

introduction of a students' representative council system, the abolition of excessive corporal punishment, and, more recently, the release of fellow pupils facing criminal charges arising from the boycott.

Several meetings between DET officials, pupils, parents and community leaders solved most of the problems. The DET promised to look into the issue of corporal punishment, the behaviour of teachers and the lifting of the age-limit requirement.

On the question of the SRC, however, the department contended that such a body could exist only on university campuses or institutions of higher learning and not in high schools.

As a compromise, the DET agreed to the formation of a body to be known as the Pupils' Representative Council. The pupils rejected this, insisting that they wanted the word "students". This led to an impasse.

In response to the most delicate demand — that charges against the arrested pupils be withdrawn as a precondition for ending the boycott — the DET said this could not be agreed to. In the opinion of the police the arrested pupils had committed criminal offences and the law would have to take its course.

Faced with the possible stigma of having left their fellow pupils in the lurch and of having "betrayed the struggle", the pupils were adamant that they would not go back to classes without their friends. They stuck by their philosophy of "injury to one is injury to all".

The police, on the other hand, might fear that an unconditional release of the pupils could be interpreted as a sign of weakness.

The closure of the schools has left the 6 000 pupils to roam the streets of Atteridgeville and Saulsville for the rest of the year unless one of the sides comes up with a mutually acceptable solution.

To those affected, the problem is symptomatic of a more deep-rooted issue. Accusing fingers point at apartheid, which gave birth to the much-resented system of Bantu Education, seen as the sole underlying cause of the boycott.

Interviews with pupils in Atteridgeville and Saulsville show a uniform willingness and desire on their part to end the boycott — provided their school friends are released by the police. The pupils categorically reject Mr du Plessis's suggestion that they had fallen into the hands of "subversive forces".

"We black students do not

need to be told by anyone that Bantu Education is inferior and unacceptable. We experience this daily," said one pupil who did not want to be named.

One of the pupils' major objections is the presence of white policemen near the school premises and in streets. "Some of us have come to hate the mere sight of a white policeman," said another pupil.

Reacting to the Minister's "forces of subversion" allegation, the Rev David Mosoma, chairman of the ad hoc committee of clergymen in the area, said: "No black person needs to be incited into knowing that apartheid is an oppressive, ugly system or that Bantu Education is inferior. The pupils know that, as do any other black people subjected to the system."

In his view, the boycott was only the tip of the iceberg. "The Government must take urgent steps aimed at changing the whole social structure before we witness worse things," Mr Mosoma said. He added that the Pretoria boycott bore a close resemblance to the events leading up to the 1976 riots.

Echoing Mr Mosoma, the Mayor of Atteridgeville, Mr Z Z Mashao, said that although he appreciated the personal efforts of Mr du Plessis in trying to end the boycott, the fact was that the Minister could go only as far as the apartheid laws permitted.

"The basic problems are not so much in the grievances aired by the pupils but in the whole policy of the Government. The only remedy is to abolish the different education systems and to create a single system for all."

Turning to the impasse which led to the closure of the schools, Mr Mashao said he recognised that the Government might feel that the unconditional release of the arrested pupils would be interpreted as

a sign of weakness, but that a lot more could be achieved with a stern warning to the pupils before their release.

"I think wisdom dictates that releasing the pupils and perhaps losing face is, by far, better than risking another June '76.

"Such a gesture would also go a long way in demonstrating statesmanship and big-heartedness on the part of the rulers."

An Atteridgeville parent, Mr Dan Ramotsiu, also rejected the Minister's charge that the pupils had been intimidated by outside forces. "That is simply not true," he said.

On the arrested pupils issue, Mr Ramotsui said one way of resolving the matter swiftly would be for the police to bring the accused to court as speedily as possible so that the matter could be resolved once and for all.

"This would be regardless of which way the verdict went," he said.

Fear and uncertainty linger in the aftermath of the schools' closure. But some still hope.

There is widespread fear that, if immediate steps are not taken to bring the situation under control, it could reach the proportions of the 1976 unrest.

If left unchecked, some residents fear, it is likely that pupils in neighbouring Mamelodi township could be tempted to boycott classes in their own areas in sympathy with their fellow pupils.

Said a matric pupil from the Dr W F Nkomo High School: "We sincerely pray and hope that the present situation will not spread to other areas and that the Government will take urgent steps to forestall any such ugly development."

Parents and pupils in the affected areas are working on plans to send a delegation to Mr du Plessis, hoping that discussions with him will lead to the re-opening of the six schools.

GOVERNMENT'S POPULATION GROWTH PLAN SCORED

Johannesburg SOWETAN in English 29 May 84 p 9

[Text]

THE Government's ambitious plan at slowing and then stopping population growth in South Africa is viewed with suspicion by blacks who claim it is aimed at them and not every section of the society.

The plan aims at slowing and then, by the year 2 100 stopping population growth in South Africa. It is said the plan will involve every section of society in an attempt to raise living standards, especially among those who reproduce the most — the poor.

The programme, recommended last year by the Scientific Committee of the President's Council and accepted by the Government last September, is intended to stop South Africa's population growth at 80-million.

Beyond that number it is feared the country's water resources would not be enough for everyone.

Strange

At the moment there are about 29-million people in the country. Without the programme the total would reach 181-million in 2 100 at present rates of growth.

Mr Lybon Mabasa, the president of the Azanian People's organisation (Azapo) said this plan has nothing to do with improving the living standards of those who reproduce the most.

He said it was strange that white families were encouraged to have more children and the Government always encouraged people to immigrate to South Africa.

"This scheme is racially motivated," Mr Letsatsi Mosala the secretary of the Black Allied Mine and Construction Workers Union said.

He said this became

clear where it mentioned the need for population control "especially among those who reproduce the most - the poor.

"It is a camouflage to get at us. The whites are not going to be affected."

He said perhaps if the Government was representative of all the population groups the plan would have been received free of suspicion.

AZASO-UDF GROUP DISRUPTS AZASM RALLY

Johannesburg SOWETAN in English 21 May 84 p 3

[Text]

THE deputy president of the Azanian People's Organisation, Mr Saths Cooper, withdraw as a speaker from a rally at the University of the North (Turfloop) following attempts to disrupt the event on Saturday.

The rally was called by the Azanian Students Movement (Azasm) and those who tried to break it up were about 60 students, all members of the rival Azanian Students Organisation.

The rally was held in honour of the late Turfloop Students' Representative Council president, Mr Abram Onkgopotse Tiro, who was expelled from the institution in 1972 after he delivered a speech which was very critical of the system of black education.

He was later killed by a parcel bomb which was delivered to him while he was in self-exile in Botswana. He died in 1974 and Saturday's event was to mark the 10th anniversary of his death.

Pandemonium began when, at the beginning of the rally, a group of about 60 students, clad

in Azaso and United Democratic Front T-shirts entered the hall.

The new-comers kept on disrupting speakers by chanting songs and shouting slogans. Efforts by SRC vice-president, Mr Patrick Huma, to cool the new-comers drew a blank.

After Mr Huma tried to calm the unruly students, the 60 continued with their singing and chanting. However, the service continued until the end.

The meeting nearly came to an end when Azasm national organiser Mr Jackie Hlapolosa told the more than 500 people inside the hall that it was a historical fallacy to say South Africa belonged to both blacks and whites, and that it was only "prostitutes" who belonged to everybody at all times.

Mr Hlapolosa had said that Azania (South Africa) could not belong to both the "oppressors" and the "oppressed", the "robbers" and the "robbed" and that fanatics must know that Tiro was not like that.

GOVERNMENT CRACKDOWN ON AZAPO QUESTIONED

Johannesburg SOWETAN in English 24 May 84 p 6

[Editorial]

[Text]

THE NATIONWIDE crackdown by the Security Police on the Azanian Peoples' Organisation has stirred a lot of controversial speculation about the cause behind the swoop.

The police said this was a routine check. It is perhaps difficult to understand why a so-called routine check would take such enormous proportions. The result is that most people have been put on guard. This is apart from the wide-range of speculations that have taken root in and outside the townships.

There is speculation from pretty well informed sources, or rather the kind of source that seems to interpret such events correctly, that the raid had something to do with the last National Forum conference in Pietermaritzburg. It was here, it is believed, that the seeds for this kind of attention on Azapo were planted.

Some observers believe members of the Black Consciousness movement went rather overboard discussing socialism and in particular scientific socialism. We all know what the stock reaction to such academic exercises would be from the Government.

We had in fact hoped that the Government was moving away from its old-fashioned, ox-wagon thinking, particularly that which saw a Red under every bed. It seems, however, the speculation about the conference is correct, that old habits die hard.

There are naturally other theories. There are those who believe the Government may be aware of Azapo's intended campaign against the coming tri-cameral parliamentary elections for coloureds and Indians. This is quite likely speculation as the State media have been going out of their way to give the elections positive airing.

Finally there are those who think the school situation and the commemoration of the June 16 services might have caused the authorities to take precautionary methods against organisations like Azapo.

Whatever the cause of the raids, we believe they were ill-timed and ill-conceived. What may have been conceived as a preventative measure is only going to intensify physically and otherwise whatever moves Azapo might have contemplated.

It is about time that the Government used a bit of simple psychology. It helps. If Azapo is subjected to such a massive raid, the results may be counter to what the Government had intended. It might just be that the organisation gets that shot in the arm to make it more respectable than it was.

It is perhaps also the wrong time for the Government to make such moves. The elections are just about on us; June 16 is not very far on the calendar and Azapo may be gearing itself to campaign vigorously. A swoop of this nature simply gives the organisation added ammunition and confidence.

CSO: 3400/1035

SA'S 'SPLIT PERSONALITY' ANALYZED

Cape Town THE CAPE TIMES in English 19, 21 May 84

[Two-part article by Lawrence Schlemmer, Director of the Center for Applied Social Studies, University of Natal, Durban: "Change--SA's Split Personality"]

[19 May 84 p 10]

[Text] IN recent weeks, with the peace talks in Angola and the peace agreement with Mozambique, the South African government's image in the local and overseas media has swung dramatically.

The erstwhile "destabilizer" of neighbouring states has now been hailed as peacemaker and agent of international accord.

Yet it is fairly inevitable that some issue or event in due course will resurrect older images of the South African government again, until some new initiative rekindles hope for reform and change.

So the cycles of expectation and disillusionment will continue. South Africa's split personality confuses friends and enemies alike.

These apparent inconsistencies are inevitable.

They are also completely understandable given the situation of the South African regime. In broad terms the responses in terms of its basic goals, resources, opportunities and pressures.

Peace moves

The last few weeks and months provide an excellent example of what many critics and observers see as deep contradictions in the South African government's policy programme.

In March, the South African government was being officially commended by the United States, Britain, West Germany, Egypt and a number of other states for the peace moves in Southern Africa.

Various commentators, including Dr Gerrit Viljoen and South African Ambassador to the United States, Dr Brand Fourie, could forecast that South Africa's international position in the West would be bolstered by the Southern African developments. An almost euphoric mood was created in South Africa. The government was seen by almost everyone as bold and positive.

Virtually simultaneously, the Minister of Community Develop-

ment, Mr Pen Kotze, told Parliament that 7 128 coloured and Indian families were still due to be moved in terms of the Group Areas Act. It would appear that 1,75 million Africans are still to be relocated. It was announced in Parliament furthermore, that the number of arrests in terms of influx control laws had increased between 1982 and 1983.

Indian politicians, on the eve of the implementation of the new constitution which will give them representative chambers in Parliament, found themselves having to condemn the continuation of petty apartheid measures.

At about the same time, Mr Kotze announced that he was prepared to accept the recommendation of the Strydom Committee, appointed to investigate group areas legislation, that some central trading and business areas be opened to all races.

Ideologies

Other recommendations of the Strydom Committee have created the expectation that a significant amount of desegregation of central urban or general facilities like cinemas, beaches and restaurants is likely to occur in the near future.

Although apparently contradictory, these contrasts present a fairly clear and continuing pattern: substantial positive initiative in the international sub-region irrespective of the races or ideologies involved, a growing openness to non-racial arrangements in the economic, industrial and commercial spheres, but a continuing and unyielding insistence on the separation of residential communities and their most immediate facilities.

The South African government's actions, like those of any other government, have to be understood in terms of fairly basic elements in decision making. Of most importance are underlying goals or charters, and resources, opportunities, costs and pressures.

Stripped of rhetoric and relationizations, the policy charter of the present South African government can be seen to rest on three basic elements:

1) The protection of white and Afrikaner interests and security in perpetuity.

2) The organization of political life in terms of ethnic group relations and the principle that "good fences make good neighbours". The South African government has long held the view that ethnic political autonomy is a precondition of good government. This is the "pluralism" principle which is adhered to even when groups cannot be geographically separated, as in the new constitution, making provision for separate chambers of whites, coloureds and Indians.

3) Pragmatism in dealing with economic, social and strategic group interdependence by promoting close co-operation and links between autonomous groups, regions or states. This is after all an integral part of the future which the government sees for the homelands in South Africa. The basic idea of a "constellation" or commonwealth of Southern African states is long established — it was first proposed by Dr Verwoerd.

These three basic goals explain most of the policy initiatives by the government. Taken together they amount to an organizing principle which can be expressed as follows: separate the racial groups, define their autonomy, thereby reducing the whites' moral, political and social obligations to other groups, then co-operate as "voluntary" partners to solve common problems.

This principle does not exclude a great deal of economic interdependence. The "regions" delineated in the government's regional economic development planning cut across political and group boundaries. The principle can even lead beyond "voluntary" co-operation to consultation to some degree of actual power sharing, as long as the group basis of the power which is shared is preserved, as in the new constitution for whites, coloureds and Indians.

Weak and strong

Within this principle of group separation followed by functional integration, a great deal may be negotiable. The principle itself, however, appears to be totally non-negotiable, almost irrespective of the costs to any party.

The South African government is very strong in some areas and very weak in others. Areas of strength are its:

- Control over economic resources

- Technology and expertise

- Military strength. This military muscle has recently been used to create or perhaps even force a climate of negotiation in Southern Africa, particularly in the case of Mozambique and Angola.

It has other potential functions as well, however, since South Africa can offer training and weapons supplies and could even act on behalf of neighbouring governments in the military field if they were threatened. Hypothetically it could for example quell a civil war in a nearby African state if it saw advantages flowing from such action.

Given these strengths, South Africa is very well placed to perform all the roles of a regional super-power and to reap all the rewards if close economic and diplomatic relations are established with the other states of Southern Africa.

The South African government's weaknesses, as everyone knows, are apparent in:

- Low political credibility, made doubly serious by its consequent vulnerability to international economic campaigns against South Africa, and

- A lack of freedom to exercise all the political options open to it.

[21 May 84 1 10]

[Text]

THE South African government is constrained in the political field not only by its own basic policies but also by the right-wing forces operating in the political arena in South Africa.

Directly constraining the government is the very strong tradition of white hegemony (baasskap) which exists within the government itself but which is most clearly symbolized by the two right-wing opposition parties.

Because there is in fact a continuum of similar opinion linking many National Party personnel with the right-wing parties, the government is extraordinarily sensitive to right-wing rhetoric and criticism. Hence the right-wing parties exercise a constraining effect out of all proportion to their support in the electorate, which is under 15 percent.

These constraints exist mainly in regard to social and political concerns which directly affect white communities. In the international sphere and in matters of economic co-operation with black states and internal black authorities the right wing is less concerned and therefore less vigilant and threatening.

Given these political and social constraints, the South African government must fall back on the use of its economic and technical resources in order to increase its political credibility. Hence détente in Southern Africa has a double purpose — the goal of security from insurgency across the border, and the oppor-

tunity to show a critical world that Africa needs and accepts South Africa trade, aid and technology. Dr Brand [word indistinct], in a television interview following the signing of the peace treaty with Mozambique, stated clearly that the route to good relations with the West runs through black Africa.

The problem of political credibility internally is most evident with regard to the issue of black rights. Here again, the government has tried to compensate for the lack of policy reform and gain credibility using economic tools such as, for example, the Small Business Development Corporation. With inflation creating very real constraints on government expenditure, the scope is limited. This is one reason why the government has recently placed so much emphasis on black technical training and has accepted and in some ways even promoted the growth and institutionalization of (non-political) black trade unionism. Black wage increases and consumerism are seen as potentially able to deflect political aspirations within the common area.

Finally, the responses of the South African government cannot be fully understood without considering the pattern of pressures on it. Prominent among these are the financial problems and challenges which the government faces.

In an excellent review, Pottinger has enumerated the following serious financial pressures on the treasury: the devastating drought and floods in the East, the poor gold price, low tax income due to the recession, government budget overshoots, rural development failure in black areas, the creation of the new development bank, costly incentives involved in the new decentralization policy, massive housing and educational backlogs among coloureds, Indians and blacks and the coming costs of the new constitutional machinery, including the planned changes to local authority structures among all groups.

Given these pressures the government must endeavour to save money somewhere and a settlement of the very costly Namibian war would make a substantial difference. Furthermore, as the Minister of Finance outlined recently, South Africa needs a considerable amount of foreign loan and investment capital at present, and therefore it is particularly necessary to counteract overseas economic campaigns against the country at this stage.

These pressures are most easily and immediately dealt with by the kind of regional peace initiatives currently underway, because these moves have the most unambiguous effects both in saving money and in improving external relations.

The pressure to increase political credibility by extending political rights to blacks in some form is much less compelling for a variety of reasons.

Firstly pressures from blacks themselves are more often than not seen to lack credibility. Most of the black spokesmen do not have a visible constituency or organizational base, with the exceptions of Chief Buthelezi (Inkatha) and Bishop Tutu (the progressive churches).

Secondly, black activists, in the government's view, most often present totally non-negotiable and over-ambitious demands; this is particularly characteristic of the black youth activism, seen mainly in student disturbances at schools and universities.

Thirdly, the mass of blacks, in their day to day responses to events, appear to be mainly concerned with welfare, security and quality of life and not primarily with political claims. This is certainly not entirely the case but it is the manifest impression created for most whites and those observers with impact on the government.

The arguments so far presented suggest that the contrasting pattern of policy outlined above will persist in the short term. There will be no deviation from the principle of ethnic autonomy and hence the separation of communities will persist. A "national convention" to restructure society or even less major deviations from the plural basis of policy seem to be impossibilities at this stage.

At the same time, the government will attempt to accommodate and respond to international and internal pressures by desegregating non-community facilities, and by an aggressive development policy, both inside the country and in the region. When the economy emerges from the present recession, and if the gold price

rises, development initiatives could be quite substantial.

Obviously many, if not most critics of the South African government abroad and to the left of the government in South Africa will argue, with more than a little justification that significant overall progress for blacks must inevitably be very limited as long as there is separation of communities and a lack of political bargaining power. This is very true in the field of education, for example.

The government's attempts to use economic or foreign policy manoeuvres to compensate for or counterbalance its political policies are also not likely to convince the black middle class spokesmen who are so important in interpreting black reactions. Hence, political credibility and legitimacy will remain the government's Achilles heel as both internal and external pressures for basic policy reform will continue to mount.

Increasing moral pressures and probably some economic sanctions can be expected from abroad. The United States House of Representatives has just passed a bill (the Export Administration Act), to which amendments punitive to South Africa have been attached, and more and more cities and states in the United States are withdrawing public money from corporations with South African operations.

However these mounting pressures, both external and internal, are

seen by the government to be directed against the one non-negotiable element in the South African government's policy stance — group separation and ethnic autonomy. Irresistible force meets immovable object. A waste of political energy, perhaps because as the years roll by neither will give ground and, as I have argued previously in Indicator, the revolution will not occur.

Current pressures for general, sweeping reform and political desegregation on their own will be a waste of energy, because the addition of more specific proposals, against the background of general pressures, could significantly facilitate change.

Some very significant changes to the quality of life and to the bargaining power of black people can occur in ways which do not directly confront the paradigm of the government, but which would rather stretch and extend it. For example, if the black local authorities, newly equipped with increased internal powers by the government, had representation on say a high level "council of local affairs" they could perhaps negotiate for increased funding, more land for expansion and for more adequate access to metropolitan services and amenities. The benefits of high-level representation of a similar kind for the non-independent homelands would also be fairly obvious and immediate. This would at least counter the political alienation of the black people.

With this concept of regional and metropolitan authorities on which whites, coloureds and Indians will be represented with the possibil-

ity of limited black representation at some stage, the government has at least recognized the interdependence of groups in local geo-political settings. It would make sense to argue for an extension of the powers of the black groups in these bodies, and for an increase in the bodies' authority and powers. It would also make sense to argue that each region is to some extent unique in its problems and collective attitudes, and therefore that some regions, like for example the Witwatersrand, the Eastern Cape, or the metropolitan Natal-Kwazulu area should be allowed to negotiate their own particular power-sharing arrangements at regional level.

One realizes immediately of course that these suggestions overlook some of the deeper-lying and more general causes of inequality in South Africa. If such change initiatives as those broadly suggested above are successful, however, they would not merely be palliatives. They would after all increase the bargaining power of blacks to negotiate for further gains.

Whatever the merits or demerits of these specific proposals may be, it seems necessary that proponents of change in South Africa consider the areas of lesser or greater flexibility in the government's policies, and direct their strategies accordingly.

One might suggest that sound analysis is a first step in the possible cure of our split personality — analysis of the structures which underly apparent contradictions. This will reveal areas of least rigidity in policy, where specific and well-backed pressures could have significant effects, as was the case with the labour reforms in 1979.

SOLIDARITY OF DISCIPLINED BLACK UNIVERSITY STUDENTS REPORTED

Johannesburg THE CITIZEN in English 29 May 84 p 6

[Text] CAPE TOWN. —Two hundred and seventeen Black University of Cape Town students who had to attend a disciplinary hearing on campus yesterday for allegedly disobeying instructions from the Vice-Chancellor, Dr Stuart Saunders, refused to be heard individually and "demanded that the whole Black student mass be heard as one."

The students have been campaigning for "adequate accommodation and transport" and faced two charges after disobeying instructions by Dr Saunders to students squatting in tents near the Jameson Hall.

Originally 11 students were summoned, but last week about 400 students staged a sit-in at the administration building in protest against the "victimisation" of the 11.

Problems

Dr Saunders said in an interview that the university was conscious of the problems which all students had with residential accommodation and realised that the provisions of the Group Areas Act aggravated the position for Black students.

The university administration was actively involved in getting suitable accommodation for all students, and as far as the claims on inadequate transport was concerned, a special bus service had been started on an experimental basis.

Dr Saunders issued the following statement yesterday:

"A total of 217 students who, it was alleged, had disobeyed instructions from the Vice-Chancellor were asked to appear at a disciplinary hearing for each student to answer charges against him or her individually. This hearing was to take place at 1.30 pm today.

"About 500 students arrived for the disciplinary hearing, and a spokesman for the students who were present stated that the "student body" had resolved that they were not prepared to be heard individually."

He read a statement and demanded that the whole Black student mass be heard as one. Professor A D Carr, the Deputy Vice-Chancellor, who was conducting the hearing, informed the students that he was only prepared to conduct the hearing on an individual basis. A spokesman for the students repeated his demand that all the students be "tried".

Professor Carr told the students that he could

only conduct a fair hearing by hearing each student who had been charged individually, and that he would ask each student who had been charged to plead to the charges.

"It became clear that it would be impossible to proceed with the hearing. The Deputy Vice-Chancellor, Professor Carr, then made the following statement to every student present:

"I say to all the students involved in the recent protests that if, during the remainder of this, or during the next academic year, any of you is in breach of Rule 8 for students, i.e. if you break that rule in the future during that time, you may be fined and will be suspended from the university pending further disciplinary action. We have a list of 217 students allegedly so involved and those are the people who were to be here today.

"Anyone who wishes to have his or her name removed from the list must write in the strictest confidence to the Vice-Chancellor, Dr S J Saunders.

"With this statement the matter is now closed."

— Sapa.

DETAILS ON DEFENSE SPENDING REPORTED

Johannesburg SUNDAY TIMES-BUSINESS TIMES in English 6 May 84 p 50

[Article by John Tilston]

[Text] **THIS** year's defence budget of R4 155-million might look like a record, but it is still lagging behind spending levels of seven years ago. There has been no real growth in military spending in the past five years.

The Defence Vote is up 2% in real terms over last year's actual spending of R4 078-million. The SA Defence Force received R240-million in additional cash in each of the past two years, and if it gets the same amount this year, actual spending will be up by 7.7%.

The increase is the first good financial news for the armed services in four years. Last year real spending by the SADF was down by 2% and in the previous year it fell by 6%.

Percentage

Measured in 1984 prices, SADF spending is still below the 1981-82 level of R4 421-million and is roughly equivalent to that of 1977.

Spending as a percentage of gross domestic product is down to 3.8% from a high of 4.8% in 1977. Other nations spend more. Israel spends 37.9% of gross domestic product on arms, the US 6.6% and the UK 5.1%.

SA defence spending as a percentage of total State expenditure has dropped steadily from 18.2% in 1977 to this year's 15%. In 1982 the comparable figures were Israel 40.7%, the US 29.2% and the UK 11.9%.

Operations

Expectations that the recent SA peace initiatives will reduce defence spending would seem to be premature.

The White Paper on Defence tabled in Parliament last year reported that the increased cost of operations had to be borne at the expense of the SADF capital programme. This has restricted the acquisition, modernisation and preparedness programme.

The White Paper drew attention to the fact that some of the SADF's main armaments were reaching obsolescence and it would have to concentrate on the development, production and commissioning of a new generation of main armaments in the next 10 years if the existing balance of power were to be maintained.

In any event, the operational spending in a counter-insurgency war is small relative to the costs of setting up the defence infrastructure, training and the maintenance of military preparedness. The cost of peace is almost as high as the cost of war.

Discussion

Drawing conclusions from changes in spending rests on the assumption that funding in the base year was adequate. In 1981, R3 063-million (R4 421-million in 1984 prices) was spent by the SADF.

In the US, where there is much public discussion on defence expenditure, the military is accused of inefficiencies in procurement — it pays up to \$100 for a single bolt. But similar extravagant spending is unlikely in a small nation like South Africa.

Some analysts believe that once the defence juggernaut has been set in motion there is no way of rolling back spending. Peter Vale, research director at the SA Institute of International Affairs, says "defence expenditure cannot be switched on and off like a light".

"The bureaucracy fights like mad to survive. As Khrushchev once said, 'The Soviet military machine eats steel.'"

In addition, says Dr Vale, once there is large investment in research and development and huge amounts of cash are poured into an organisation like Armscor, it is difficult to slow things down.

SELECTION OF LABOR PARTY CANDIDATES SCHEDULED

Johannesburg THE CITIZEN in English 29 May 84 p 15

[Text]

KIMBERLEY — The Labour Party will meet in Kimberley early next month to select 80 candidates to contest the House of Representatives election.

Mr Leslie Abrahams, the party's head of publicity said the party leadership and more than 200 potential candidates would meet in Kimberley on June 9.

The candidates will attend a working seminar on aspects related to the pending election.

The names of the 80 selected candidates would be announced at the seminar, Mr Abrahams said.

The next day the party holds a meeting that will be addressed by the party leader, the Reverend Allan Hendrickse, and other top party officials.

The Labour Party has told candidates they would have to fund their own election campaigns.

The move follows speculation that the party's coffers were overflowing from funds received from Afrikaner-backed firms and organisations.

"This claim has been discounted by the party. Money received by the party from business concerns by both language groups has been largely used to educate party members in various aspects of politics," Mr Abrahamssaid.

"As in the past, candidates will have to finance their own campaigns. On June 9, they will have to produce R1 000 of which R400 will be used as their deposit and R600 will go towards the centralised printing costs related to the election," he said.

In the past it has happened that candidates had been unable to pay their own deposits and the party has had to step in on their behalf," he said. — Sapa.

CLOSE FINISH PREDICTED FOR NONWHITE ELECTIONS

NPP, Solidarity

Johannesburg THE CITIZEN in English 30 May 84 p 9

[Article by Tim Clarke]

[Text] DURBAN. — Two parties, the National Peoples Party (NPP) and Solidarity, seem set to win the majority of the 40 Indian seats in the elections for the tricameral parliament in August.

The two parties are at present hard at work canvassing and also obtaining candidates for the elections. Between them they could field as many as 80 candidates for the 40 seats.

Independents are likely to contest about 20 seats in the new parliament.

The NPP, led by Mr Amichand Rajbansi, who is also chairman of the executive of the South African Indian Council (SAIC), is confident at this stage it will beat off a strong challenge from Solidarity.

Solidarity, which was only formed earlier this year, is led by Dr J N Reddy, a prominent businessman and veteran politician. Dr Reddy, who is also a former chairman of

the SAIC, quit politics last year but was persuaded to return to lead the new party.

Solidarity claims it has drawn people from all walks of life and is far

more representative than the NPP, which at present holds the majority in the SAIC.

There are two smaller parties also taking part in the elections — the National Democratic Party and the National Federal Party. But neither party is expected to draw much support away from the two major parties.

An important factor in the elections will be the call by the Natal Indian Congress (NIC) for voters to boycott the elections completely. The NIC is totally opposed to becoming involved in any of the Governments new constitutional proposals and has been working hard to ensure that Indians stay away from the polls.

But according to political observers here the "lie factor" will play an important part in the percentage poll. Supporters of Solidarity and the NPP claim that when canvassers from the NIC visit individual homes the occupants say that they will boycott the elections. But at the same time when canvassers from the two main parties call at the same houses they are given the assurances that the occupants will vote.

In the last elections for the SAIC the boycott tactics resulted in only a 10 percent poll. But both the NPP and Solidarity are convinced that polling in this election could be between 35 and 40 percent of the Indian community.

The SAIC is due to wind up its affairs in July.

The Democratic Party led by Mr J B Patel has also urged its supporters not to become involved in the elections.

The Coloured community in Natal will only have to vote in about five seats and it is expected that the Labour Party, led by the Rev Alan Hendrikse, will win all five seats. Its opposition in the province is small and the party has also been hard at work rallying its supporters.

The NPP is confident of holding the majority in the new parliament but although Solidarity is a fairly new party it has gained recognition and support from many circles in the province, including the business community.

Report by Tim Clarke, 6 Margolis, 33 Seventh Avenue, Berea, Durban.

Coloureds, Indians Registering

Johannesburg THE CITIZEN in English 30 May 84 p 9

[Article by Jaap Theron]

[Text]

By JAAP THERON

TENS of thousands of Coloureds and Indians are registering every day as voters for the forthcoming elections for their respective chambers, Mr Joe Pretorius, deputy Chief Electoral Officer of South Africa said yesterday.

Mr Pretorius said the Department of Internal Affairs was very satisfied with the response of Coloureds and Indians to the Department's extensive registration campaign.

He said both groups were extremely keen to take part in the first election that would establish their own Houses in Parliament.

Altogether 80 Coloureds would eventually be elected to their House of Representatives and 40 Indians to their House of Delegates.

Mr Pretorius said the Coloureds and Indians still have until June 2 to register — and not the end of this month — because of the public holidays.

Indications are that a record number of voters would register for both the two new Houses of Parliament.

"It would appear that everything was now geared for this historic

election," he said.

He said his department would publish the report of the delimitation commission today. This divides South Africa's Coloured and Indian areas into Parliamentary constituencies.

The report, together with maps, reflecting the new Coloured and Indian constituencies throughout the Republic, will be available at all regional offices of the Department of Internal Affairs from 11 am.

The Coloureds will officially nominate their candidates for the Houses of Representatives on June 26 and their election will take place on August 22.

The Indians will nominate candidates for their 40 constituencies on June 30. Their election will be on August 28.

The Citizen understands it will not be possible for Coloureds to vote for Indian candidates or for Indians to vote for Coloured candidates.

It is understood the Government has no plans to change the Political Interference Act. It will, therefore, serve no purpose for any Coloured or Indian political party to go multi-racial.

News by J Theron, 161 Mitchell Street, Pretoria.

Labor Party Action

Johannesburg THE CITIZEN in English 30 May 84 p 9

[Text]

DEFYING the Political Interference Act was a formative step in the Labour Party's process of breaking down ethnical structures in the new constitution, the party's Transvaal chairman, Mr Jac Rabie, said yesterday.

Mr Rabie said his party was placing candidates for both the Coloured House of Representatives and the Indian House of Delegates "to spearhead a constitution which suits all people, including the Black majority."

"We want party members who feel ideologically at home and not ethnically at home," he added.

Asked whether this was a contradiction of Labour's decision to participate in a constitution designed on an ethnical basis, Mr Rabie replied: "It is not a contradiction because no system exists at the moment for participation at all. We are making a direct input into the new system to encourage a constitution which suits everyone."

He said the party's membership had always been open to all races (although his was never made public), but the Political Interference Act, which bars each race from participating in the politics of others, had stood in the way.

The Labour Party had entered into a consensus Government and it wanted to begin breaking race barriers now, he said. Mr Rabie admitted that the LP's move were in line with comments made in the past by LP Leader, the reverend Allan Hendrickse, who has stated that his party would attempt to change apartheid "from the inside." — Sapa.

CSO: 3400/1035

MOST NONWHITE SEATS ALLOCATED TO CAPE, DURBAN

Johannesburg THE CITIZEN in English 31 May 84 p 4

[Text] CAPE TOWN. — The largest number of constituencies for the forthcoming Coloured and Indian elections have been established in the Cape Peninsula and Durban, it was announced in Cape Town yesterday.

According to the department of internal affairs, the Delimitation Commission, which submitted its report yesterday, established 20 constituencies for the Coloured House of Representatives in the Cape Peninsula.

Seventeen seats were allocated in the Indian Chamber, the House of Delegates, in the Durban area.

These were the areas with the largest concentration of voters in the country, the department said in a statement issued in Cape Town.

The quota of voters per constituency varied from 3 472 in the Free State to 14 219 in the Cape Province for the House of Representatives and from 4 103 in the Cape Province to 9 019 in Natal for the Indian Chamber.

Constituencies in the Western Cape had increased from 12 to 25 since the last delimitation of the Coloured Persons' Representative Council, the department said.

This was the result of provision in the new constitution for the doubling of the number of constituencies allotted to the Coloured Persons' Representative Council and of the coming into being of large new communities in areas such as Mitchell's Plain.

Two constituencies — Strandfontein and Mitchell's Plain — had been established in this area, the statement said.

The number of constituencies awarded the House of Delegates remained the same as in the case of the South African Indian Council.

However, the number of seats allocated to Natal rose from 27 to 29.

"The report of the delimitation commission is a final document and there are no procedures for any amendments before the next delimitation," the statement said. — Sapa.

SIGNIFICANCE OF ROSETTENVILLE BY-ELECTION EXPLORED

Johannesburg THE CITIZEN in English 30 May 84 p 6

[Editorial: "Poll Test"]

[Text] THE Provincial by-election battle in the Rosettenville, Johannesburg, constituency is a test of strength in a conservative, mainly English-speaking constituency.

Three parties are involved — the National Party, Conservative Party and the New Republic Party.

All three candidates are English-speaking.

The Progressive Federal Party, which has its following in the affluent north, has opted out of contesting this seat in the not-so-affluent south.

The NRP, in theory, should do reasonably well. This was a United Party stronghold and the NRP's provincial leader, Mr Alex Anderson, polled more than 3 000 votes there in the 1981 election.

However, times have changed, and the NRP gets weaker and more irrelevant by the day.

This does not mean that it is not making a lot of noise.

Its candidate, Mr Ian Jayes, has put out a leaflet entitled "The Ministerial Scandals," in the form of a theatre programme in which the National Party, ably supported by "the Conservatives," presented "an ongoing two-party farce of intrigue, deception and cover-ups in as many acts as you will let them get away with."

The programme warns the audience to take careful note of the performance — as "your tickets have cost you a fortune" — and features, among others, Apartheid Dreams, The Information Scandal; Broederbond Intrigue; The Van der Walt Affair and The Fanie Botha Affair.

The leader of the NRP, Mr Vause Raw, has apologised for the use of the names of former Deputy Minister Hennie van der Walt and former Manpower Minister Fanie Botha in "an unfortunate context," saying that "these

persons resigned their office and from Parliament following an untested allegation in one case and personal circumstances in the other.

"They are therefore unable to defend themselves."

However, the party leadership in the Transvaal has stood by the pamphlet, has denied the row with Mr Vause Raw is indicative of a looming split, and has claimed that the battle should be left to the generals in the field.

As simple as that it is not. It is most unusual for a national leader of a party to apologise for anything a candidate or provincial organisation does; it is also most unusual for a provincial leadership to discard the objections of its national leader.

The incident is confirmation of our oft-held view that the NRP is a weak, ineffectual party that no longer has a role to play in the politics of this country.

The CP has a former Nationalist, Mr Clive Derby-Lewis, as its candidate.

He is standing for a Right-wing, essentially Afrikaner Conservative Party in an English-speaking constituency and the CP's brand of politics is unlikely to appeal to the majority of the voters.

Events at the founding of the Afrikanervolkswag are also casting a shadow over the CP, whose leader, Dr Treurnicht, took a leading role in the proceedings.

The kind of call to the blood that came from some speakers, as well as the Afrikaner Weerstandsbeweging's extremism, complete with Swastika-like symbol and armed guard for its leader, will not have made a favourable impression on the voters of Rosettenville.

The NP's candidate, Mrs Sheila Camerer, has gone about her task of winning support in a commendably cool manner.

She has the advantage. The country is gripped by the new image of reform and peace of the NP's leader, the Prime Minister, Mr PW Botha.

English-speakers are rallying behind him in growing numbers.

But if Rosettenville is to confirm the groundswell of English-speaking support for peace and reform, the NP's victory must be a resounding one.

We think, as things stands, that it deserves this support and vote of confidence.

CSO: 3400/1035

FOSATU CALLS FOR NEW POLLS BOYCOTT

Johannesburg SOWETAN in English 30 May 84 p 4

[Text] **THE MORE** than 100 000-strong multi-racial Federation of South African Trade Unions (Fosatu) has launched a boycott campaign against the August elections for the tricameral parliament.

In August, coloured and Indians are to go to the polls to elect representatives to sit in the new chambers.

Under the banner "Workers Unite —don't vote", in the latest edition of "Fosatu Workers News" the union condemns the constitution which has set up these "puppet" parliaments as "undemocratic, racist and anti-worker."

This is the second time Fosatu has urged workers not to vote. Last year the union campaigned for a "no" vote in the white referendum and workers went to their jobs displaying "one man, one vote" stickers.

In the article Fosatu urges all workers, as part of the campaign, to stand together against the new constitution.

- About 395 workers previously employed in the clothing industry in the Transvaal risk forfeiting thousands of rand from the Provident Fund. The workers who had been contributing to the Fund could

not now be traced and many are believed to have left the industry.

The general secretary of the Industrial Council in the clothing industry, Mr J H Thomas, said in terms of the rules of the Fund these workers were advised to make application for the money within a month.

He warned that the workers would forfeit their money if they did not claim it. The public is urged to help with the whereabouts of the workers.

The names of the workers appear in the latest edition of the "Garment Worker", official journal of the Garment Workers' Union and the National Union of Clothing Workers (SA), and they should apply to: Garment Centre, 148 Kerk Street, Johannesburg.

PRO-SA LOBBY IN AUSTRALIA GROWS

Johannesburg THE STAR in English 23 Mar 84 p 5

[Text]

BRISBANE — The pro-South Africa lobby in Australia is growing.

Even people in key positions who claim they are not part of the pro-South Africa lobby and who oppose apartheid believe South Africa should not be isolated from the rest of the world.

The Anglican Archbishop of Sydney, Dr Donald Robinson, who recently sparked the South Africa debate by his refusal to chair a meeting for the secretary of the South African Council of Churches, Bishop Desmond Tutu, has brought into focus the campaign being run by the South African Government to end this isolation.

The vocal minority in Australia which backs Archbishop Robinson's view is strong in some sections of the media and powerful in the opposition parties in Canberra.

The archbishop elaborated on his views on apartheid in a letter to the Sydney Morning Herald.

It was a letter that would not have satisfied Bishop Tutu, who warned against "buttressing an immoral movement".

But Archbishop Robinson, in his statement, took what many Australians believe to be a responsible and reasonable stance, saying there was a great need to understand "how and why" the

South African situation had developed and "what alternatives or modifications are possible or conceivable".

The archbishop is sincere in his belief but at the same time his attitude gives great aid and comfort to the South African Government which is apparently pouring millions of rands into a huge propaganda campaign in Australia aimed at trying to get anti-apartheid sanctions lifted.

Some prominent people who, like the archbishop, say they strongly oppose apartheid accept that his course is right.

John Tingle, a popular Sydney radio commentator, read Dr Robinson's letter on his peak-time programme and said he agreed with it.

"The archbishop is adopting a moderate stance and is not an apologist for apartheid," he said. "I have been accused of being a racist because I refuse to condone the bans on South Africa."

RETREATS

"I have been to South Africa and I know the mind of these people — they are a dour people. The boer when attacked retreats and digs his toes in," he said.

He added: "I abhor apartheid as much as anybody. Things are happening for the better in South Africa but they are not happening fast enough and there aren't enough of them. But they aren't given benefit for any changes."

Senator Don Jessop of the Liberal Party said: "It is important to establish bridges of communication with South Africa even if we don't agree with apartheid as we understand it. It is not good to isolate a country."

Mr B A Santamaria, secretary of the right-wing, Catholic-based National Civic Council and a newspaper columnist, said: "I support Archbishop Robinson's stand ... Abolition of apartheid brought about by external pressure would not lead to a democratic structure in which all blacks would be treated equally, but to the domination by one or two tribes, as has happened in the rest of Africa."

NEED FOR NEW FARMING STRATEGY VOICED

Johannesburg THE STAR in English 24 May 84 p 16

[Article in "Viewpoint" column by Fred Lloyd, managing director of FBC Holdings (Pty), an agricultural chemical company]

[Text] Despite the gloom and pessimism expressed in so many quarters during the past three years over the state of agriculture in South Africa, the long-term future of the industry appears to be sound.

There is no doubt that the drought has had serious financial implications for the country and that in the short term these difficulties will continue to plague the profitability of the industry.

The crisis brought on by the drought has highlighted the degree of influence that the Government exerts on the profitability of agriculture.

The viability of farming is largely controlled by the marketing policies of the various control boards in South Africa and in this field the Government plays a major role.

This marketing system needs to be closely examined and the sensitive subject of protection needs to be broached if the Government is to overcome certain weaknesses in its strategic planning for agriculture.

At the moment, this planning seems to be on an ad hoc basis that, during times of crisis, gives rise to panic measures such as those we have seen implemented to overcome the effects of the drought.

POPULATION GROWTH

The Government needs to adopt long-term strategies which will lead to the financial independence of the agricultural industry.

As a basis for planning the industry's financial recovery there is the inevitable increase in the demand for food due to population growth.

This demand should give the Government the opportunity to restore profitability to the industry through well-planned price administration.

In any policy designed to restore profitability to the farmer the Government must be prepared to face the consumer's wrath by structuring prices in such a way that the farmer receives a fair return on investment.

Protection in the agricultural industry is totally justified by the Government because of strategic and security considerations.

There is no doubt that protection has a great influence on the profitability of agriculture in general.

This influence is usually understated because the profit add-on cost of protection is normally ignored.

If agricultural products such as fertilisers, machinery and certain products in the agrochemical industry are regarded as strategic, then surely the users of these products should be regarded in the same light.

To the cost of protectionism for strategic reasons must be added the high cost of capital in South Africa (higher than in any other Western country) and the high risk of climatic disaster.

These factors present a strong case for SA food prices to be higher

than in any other country in the free world.

On this basis, the Government should be prepared to risk consumer criticism and create a pricing policy to guarantee the long-term profitability of agriculture.

One major drawback to a policy of protection is that South African industries and producers will have to sacrifice the export market.

ONLY OPTION OPEN

The only means by which the export losses can be absorbed would be through the unpopular and unfair method of passing these costs on to the consumer.

Unfortunately it is the only option open to the Government outside a direct strategy.

In defence of my own industry's role in contributing to any increases in the price of food in South Africa, it must be established that during the past 10 years the agrochemical price increases have in only one year (1982) exceeded the rate of inflation.

This hiccup was caused by the weakening of the rand by 30 percent against the dollar.

A measure of the benefits to agriculture of the agrochemical industry is that in the 1963/64 season a record maize yield of 1,1 tons a hectare was recorded.

The record harvest of the 1980/81 season produced 3,1 tons a hectare. Even during the first year of the current drought, in the 1981/82 season, the yield was 1,9 tons a hectare.

Despite the significant role the agrochemical industry plays in increasing food production, the market is relatively small.

The agricultural chemical market in crop and animal health controls represents about five percent of total farm production costs.

The total market is worth about R260 million. The cost of agricultural chemicals to the farmer is his fifth largest item after labour, ma-

chinery (including fuel), feeds and fertiliser.

One of the most significant statistics of the market is the phenomenal growth in the use of agricultural chemicals during the past decade.

In the five years before 1977 use increased 200 percent by value. In the five years up to 1982 the rise was 110 percent. The total increase over the 10 years was 500 percent.

There is no doubt that the agricultural industry in South Africa is firmly based. The growth in demand for food is a fact of life.

What is needed now is a long-term strategic plan from the Government that will guarantee a sound future of the industry.

PRETORIA ECONOMISTS REPORT ON IMPACT OF MONOPOLIES

Johannesburg SUNDAY TIMES-BUSINESS TIMES in English 13 May 84 p 1

[Article by Alec Hogg]

[Text]

A TEAM of Pretoria University economists has shot down widely publicised reports that six companies dominate an increasingly monopolistic South African economy.

Led by Professor Jan Lombard, the team also found that power blocs are not a factor in inflation.

Its exhaustive research concluded that South Africa's 11 biggest conglomerates have less than half the real assets of other sectors of the private sector under their control.

But the one point which worried the investigators was that the conglomerates are more concerned with growth than providing jobs — a factor which could hold serious implications for social stability.

True power

The study, the 34th in the Mercabank-sponsored Focus on Key Economic Issues series, concludes that big business is not as dominant as some analysts believe.

Professor Lombard told Business Times: "The tremendous power of the large groups over companies listed on the Johannesburg Stock Exchange is a not a good reflection of their true power in the economy."

"To the extent that SA's wealth consists of land and other fixed assets, the 11 big conglomerates control about 16% of the national wealth of SA."

"Listed companies outside

the empires control 4% to 5%, and the rest of the private sector holds sway over 32.5% — double that of the big conglomerates.

"There is no statistical evidence that concentration has led to price increases. Even in instances where there have been mergers and takeovers there is no evidence."

Opposite

In some cases the opposite has occurred. The report says: "Sub-sectors with relatively low concentration (high competition), such as shoes and leather products, often experienced very large price increases, while low competition industries, such as food and tobacco, often showed small price increases relative to the average."

The study also points out the significance which imports have on prices — a factor which many other analyses have ignored.

"Although the degree of concentration among domestic manufacturers was invariably high, the supply of imports from abroad diluted this concentration considerably in some cases."

This is particularly evident

in the case of electrical (40% of which is imported) and non-electrical machinery (60%), motor vehicles (48%) and other transport equipment (56%).

Prof Lombard says: "Imports are a safeguard against possible price exploitation by power blocs and their value in this context should not be underestimated."

The only area where criticism was levelled at power blocs was on the employment front.

"Big business tends to go for the capital-intensive options in the production function," Prof Lombard told Business Times, "and its record on employment is not nearly as good as it is on capital investment."

Unskilled

"So far this highly concentrated type of control over production processes has not had much of an effect, but we are now into a new ballgame where the growing population of urban blacks have to be employed."

"There is a great need now to look at the advantages of the small businessman, who as an employer is better positioned to get the maximum productivity out of the unskilled worker."

BLACKS MORE OPTIMISTIC ABOUT ECONOMIC FORECAST

Johannesburg THE CITIZEN in English 30 May 84 p 25

[Text]

CAPE TOWN. — WHITE consumers have perceived a worsening in economic conditions and have become more pessimistic in their outlook while the views of Black consumers were in sharp contrast to this and more of them perceived better economic conditions. They expected conditions to improve during the next 12 months.

In the latest consumer survey compiled by the Bureau for Economic Research at the University of Stellenbosch it was stressed that the survey was undertaken before the Minister of Finance had announced that GST was to go up by three percentage points as from July 1, 1984. Thus the reported confidence expressed by some participants in the survey would not necessarily be maintained.

As far as the financial situation of consumers was concerned it appeared as if that of Whites had become marginally tighter over the last three months whilst that of Blacks behaved in a simi-

lar fashion. Whites were somewhat less optimistic about short-term improvements in their financial situation, but Black households had become "much more optimistic."

In all, the financial situation had tightened marginally but respondents anticipated a substantial easing to occur during the coming 12 months.

"White households have become much more pessimistic about a slowdown in the rate at which prices are expected to rise in the coming months.

"They have also detected an acceleration in the rate at which prices have risen during the past three months or so. Black households have reported in a similar fashion but have perceived only a slight change in the ex post tempo of price increases.

"As at the time of the previous survey, general economic conditions favoured — in the opinion of the respondents — neither spending nor saving. Both groups responded in this manner and it would appear as if saving and spending are likely to receive equal proportions of the consumers' discretionary income.

"The spending/saving pattern will, however, undoubtedly be distorted by the coming GST increases. More money will be spent on goods during May and June to be followed by a sharp decline in spending during July and September in particular.

"Confidence suffered a setback among businessmen and White consumers but improved in the Black household sector. The causes for the deterioration in White consumer confidence may be found in perceived economic conditions in particular.

The Blacks in turn reported favourably about past and expected economic conditions and this goes a long way in explaining the improvement in their confidence levels," the Bureau said.

"The present survey was undertaken before the announcement by the Minister of Finance that GST was to be increased to 10 percent on July 1 and that certain basic foodstuffs are to be exempted from GST. It is thus impossible to infer from this survey what influence the Minister's announcement had on con-

sumer sentiment.

"It can, however, be argued that any increase in personal taxation, be it indirect or direct, is certain to influence consumer confidence negatively — especially if such announcement is made six weeks after the country's main Budget was presented.

"Consumers are bound to feel somewhat pessimistic if their future finances are going to come under additional strain because of further price increases — the fact that these price increases are to be brought about by taxation is irrelevant.

"Furthermore, they have been brought under the impression that the country's economy is under severe strain and this will undoubtedly damp their spirit.

"On the positive side, the exemption of basic foodstuffs will boost confidence, in particular among the lower income groups. To what extent this will be neutralised by the increase already mentioned is uncertain. Intuitively one feels, however, that bad news always tends to overwhelm good news and the net effect of the announcement will probably lead to a deterioration in consumer confidence.

"Lesser confidence, coupled with anticipated slow growth in real income and high interest rates suggest that consumer spending will remain sluggish.

"However, as a result of the fact that the higher GST will become effective only on July 1 consumers are undoubtedly going to advance their ac-

quisition of high-priced goods in particular. This implies that retail sales will increase substantially in May and June and will fall away sharply during the month of July in particular.

"Whether sales are likely to be damped down for longer than about three months after the higher taxes have come in operation is to be doubted.

"The increase of three percentage points is unlikely to push down sales by itself — in terms of money it means an additional R30 on each R1 000 spent, an amount which will not discourage people to spend their money. Given the level of spending, the volume of sales will, of course, be reduced." — Sapa.

NEED FOR NEW SUGAR PRODUCTION STRATEGY STRESSED

Johannesburg THE CITIZEN in English 29 May 84 p 29

[Text] The severe blow dealt to South Africa's sugar industry through a glut on the world sugar market, crop failures through drought and floods and disease, called for a re-assessment of sugar production and marketing strategies, according to representatives of the sugar industry.

The vice-chairman of the South African Cane Growers' Association, Mr Tony Ardington, said the industry could well re-coop sufficiently in the near future to service and repay the industry's debt of R323-million.

The vice-chairman of the South African Sugar Association, Mr Kies van der Poll, said the R300-million debt of the sugar industry was comparatively small when viewed in the light of the total financial investment in the sugar industry estimated at R2,000-million.

Despite the setbacks, the industry argued that it could meet the challenge of recovering from a position of strength. One reason for this confidence was that South Africa boasted the third lowest production costs among 35 sugar refining countries which allowed producers to compete on free terms in the international trade..

The managing director of the largest sugar producer last season, Mr Glyn Taylor, pointed out, however, that sugar surpluses in the world market selling at low and subsidized prices, robbed the South African sugar industry of better income.

The coming meeting of the UN Sugar Conference in Geneva in June is considered to be of vital importance by the South African sugar industry.

The leader of the South African Sugar Association's delegation, Mr John Chance, said it was hoped that a compromise would be reached in terms of which sugar supplies to the world market would be restricted, enabling the sugar price to stabilize in a reasonable range profitable to both exporter and importer.

The communications manager of the Sugar Association, Mr Frans Oosthuizen, said the domestic market remained the cornerstone of the industry in the face of the difficulties which have to be faced. What was needed to boost the local market was a new marketing strategy.

The prevailing mood in the sugar industry was one of optimism tempered by a nature appraisal of both the problems and opportunities facing growers and producers.

What favoured the industry in its efforts to recover its losses was the prospect of a bumper crop this coming season.

The chairman of the South African Sugar Association, Mr Ian Smeaton, estimated the crop in excess of 2.1-million tons.

CSO: 3400/1035

PUBLIC SERVICE EMPLOYMENT INCREASE REPORTED

Johannesburg SUNDAY TIMES BUSINESS TIMES in English 13 May 84 p 38

[Article by Angus Macmillan]

[Text] **THE Prime Minister should not be surprised that public-service ranks have swollen by 49% in the past six years — in spite of his pledge to rationalise the bureaucracy.**

Although the Commission for Administration says that more than 60% of 83 000 posts created between 1978 and 1983 were teaching jobs, many of the other new pay-slips were caused by the service's aggressive image-building campaign.

A fifth — or more than R5 000-million — of State spending is chewed up by salaries and other payments to public servants. As the major subsidiser of private housing, Pretoria foots an enormous bill on behalf of thousands of bondholders — and is the major cause of inflated property prices.

Laughing

In the past two years the public service has offered lucrative salary packages through its job differentiation programme.

Housing subsidies were introduced in the 1960s to supplement salaries.

Now public servants are laughing as they pay less than 5% bond interest and take home market-related pay packets.

The commission — personnel watchdog of the public service — confirms that it has received more job inquiries than usual in its November to March recruiting.

But teachers have yet to be lifted out of the pay doldrums and researchers are unhappy with their lot. Teachers have launched a drive to win better pay and a new deal for them is to be announced soon.

Researchers, including highly qualified scientists employed by the Council for Scientific and Industrial Research and the Bureau of Standards, do not have the same fire-power. As many of them are in specialised areas, their earnings cannot easily be compared with the private sector.

Technicians

An irate former CSIR employee, Maura de Havilland, says scientists received no pay increases from the differentiation programme. She claims that technicians and engineers, on the other hand, received handsome adjustments.

"Very senior and highly qualified research scientists, with Ph.Ds and many years of dedicated service are receiving far less than engineers with bachelor degrees or diplomas."

An assistant director in the commission, Ettienne van Rensburg, confirms that many engineers are better off than scientists. He says they are not being overlooked or victimised.

Mrs De Havilland says: "I am perturbed about the teachers's plight, but am far more worried about the fact

that you (Business Times) — like 90% of this country — are unaware of the fact that that our entire scientific community is even further out in the cold than the teachers."

Koeberg

She asks whether the Koeberg nuclear complex or the national accelerator at Faure in the Cape would have been possible without the services of underpaid scientists.

The starting salary for a researcher with a four-year university degree is R14 750 and the ceiling about R28 000. Engineers start at R15 400 and progress to R31 500 without being promoted.

Technicians with matriculation and a three-year national diploma start at R14 300 and can reach R26 000 a year.

GOVERNMENT'S ROAD TOLL SCHEME PANNED

Johannesburg INDUSTRIAL WEEK in English 8 May 84 pp 1, 9

[Article by Lynn Carlisle]

[Text] The headlong rush by Government to introduce "money spinning" road tolls looks all set to jack-knife.

Leading transport spokesmen are convinced that the road toll plazas--the first will be introduced on June 8--are a last-gasp effort to raise road development funds, which have dropped critically low.

They say the toll system is unworkable and will add to traffic congestion problems in areas where they might be introduced.

Government has admitted it has not seriously considered all the alternatives--and there are several promising ones--while Transport Minister Hendrik Schoeman told Parliament last week he has reservations about introducing them now.

Roads are not getting their dues, it seems, as Treasury reaps R2,600-million annually from fuel levies and license fees, for half is allocated to housing schemes, transport subsidies and other votes with the balance returned to the road programmes.

Inequities

Fred Roux, chief executive of the Transvaal Chamber of Industries, sees the planning of road tolls, the inequities in the licensing of vehicles and the poor allocations of funds for roads as an indictment of poor government administration.

"How can they attempt to raise funds from the capital market through tolls in isolation of Government's traditional fund raising policy. As we must pay to maintain and upgrade our ailing road programme, why not introduce another 5c a litre fuel levy, increasing every four months or so to generate funds for development?"

Operating costs of toll plazas average 40 percent of takings overseas, and it takes 15 years to recover the cost of toll plazas provided 50,000 vehicles a day pass through. SA's first toll will be introduced on June 8 along the Cape's Tsitsikama route, where only 1,000 vehicles pass daily.

Toll roads have failed in Germany. Britain has amassed debts of R800-million and is now curtailing its toll system into major cities.

Premature

Transport spokesmen here believe tolls are being introduced prematurely: the National Transport Policy Study--comprising three firms of consultants--is midstream investigating all aspects of national transport in conjunction with a National Transport Commission made up of Government, Transport Consultative Committee and Shippers' Council representatives. Phase one of their findings will only be announced one year from now.

Assocom tells INDUSTRIAL WEEK it is concerned at the deteriorating situation regarding road financing and is pressing the authorities to consider reviewing the system of collecting and allocating funds for road construction and maintenance.

"Assocom envisages that a fuel levy to reflect road usage and a graduated uniform system of licensing fees for heavier motor vehicles to reflect road damage should secure sufficient funding for the infrastructure...provided these funds are allocated exclusively to that purpose," a spokesman says.

Tolls should only be introduced for specific projects, the spokesman says, such as bridges and tunnels.

"We note with concern the proliferation of tolls proposed on major routes, a situation which we will monitor closely. Toll roads are not the solution to the problem of financing our road system adequately," the spokesman says.

Kees Lagaay, director of the Civil Engineering Contractors Federation, says he shares the concern of the National Transport Commission over lack of expenditure on roads.

"Although we still have to see how well it works I believe increasing the fuel levy to be a better way to raise funds--one which people will get used to."

Lagaay says that the percentage of funds raised from roads and levies has been decreasing steadily since the system was introduced nearly 40 years ago.

"Funds collected from our roads and fuel levies should not be used for general treasury purposes," he adds.

Denzil Vermooten of the AA says inequities in licensing and the allocating of funds must be rectified first.

"We would like to see the heavy vehicles contribute their fair share as they damage roads.

"The 6.5 cents a litre subsidy for Sats' fuel pipeline by the inland road user--and not those in coastal Natal--is also a questionable issue."

CAPE GARMENT UNION SWALLOWS TRANSVAAL WORKERS' UNION

Johannesburg THE CITIZEN in English 30 May 84 p 8

[Text] CAPE TOWN. — The giant Garment Workers' Union of the Western Province is to take over the Transvaal-based Garment Workers' Union of South Africa, making it the first National Clothing Workers' Union in the country.

However, the 21000-strong Black National Union of Clothing Workers recently rejected amalgamation with the Transvaal union and shows no signs of changing its position.

Mr Cedric Petersen, assistant general secretary of the GWU-WP, which has about 60 000 members, confirmed the take-over.

The GWU-SA has about 6 500 White and Coloured members in the Transvaal, the Free State and the Eastern Cape.

Dr Anna Scheepers, whose presidency of the union has spanned a period of 46 years, is expected to retire at the end of the year.

Labour historian and expert on the clothing industry, Mr

Martin Nicol, described the take-over as an "historic irony of immense proportions."

"For 25 solid years, between 1930 and 1955, the Transvaal Garment Workers' Union waged a militant campaign to take over the Cape Union, but the Cape leadership resisted. Now the tables have turned," he said.

"Solly Sachs, general secretary of the Transvaal Union until 1952 and one of the first trade unionists to be banned and exiled, believed the only way the wages of Cape clothing workers could be raised to the Transvaal standard was to have one national union.

"Now that wages are comparably low throughout the country, the Cape Union is to take over the Transvaal Union," Mr Nicol said.

Mr Petersen said the move had been motivated by the shrinkage in membership of the Transvaal Union.

He added that there had been "unanimous support" for the move in the Transvaal Union. — Sapa.

TRADE UNIONS LASHED FOR INTIMIDATION

Johannesburg SOWETAN in English 25 May 84 p 8

[Article by Joshua Raboroko]

[Text]

TRADE unions have to curb the tendency of preferring strikes rather than dispute-settling procedures.

This was said by Barlow Rand's personnel director, Mr Reinald Hofmeyer, in the company's monthly journal "Barlow '84." He says the unions have to come out in forthright condemnation of violence or threatened violence against non-strikers that has occurred in some of the company's groups.

But, trade unionists operating in most of Barlow's subsidiaries have complained about the hardened attitude taken by some managements who refuse to recognise or negotiate with them.

The Metal and Allied Workers' Union (Mawu) experienced difficulties when it tried to represent hundreds of workers at Barlow Manufacturing following a strike which ended in the dispute being settled in the Industrial Court.

In the journal, Mr Hofmeyer says if managements and unions behave responsibly and sensitively in these difficulties, "we can look forward to a future that will be characterised by mutual respect rather than confrontation."

Many of their subsidiaries have been singled out as targets by some unions. This may be a legitimate tactic, but it can be counter-productive if accompanied by actions calculated to drive a wedge between employers and employees.

"While our relations with some unions are sound and constructive, the leadership of others face a challenging task if a hardening of employer attitude is to be averted.

There has been an escalation of worker militancy since the granting of significant new rights on the labour front that has not been accompa-

nied by a corresponding extension of social and political rights.

The company's policy on negotiations with trade unions is expressed in their code of employment. Managers have been warned not to refuse to negotiate with trade unions.

DECREASE OF LABOR STRIKES NOTED

Johannesburg SOWETAN in English 24 May 84 p 8

[Article by Joshua Raboroko]

[Text] A total of 346 strikes and work stoppages were reported in the countryside factories during 1983, compared with 394 the previous year.

This sharp decline in the number of strikes is contained in the annual report of the director-general of the Department of Manpower, Dr Piet van der Merwe, released in Pretoria this week.

However trade unionists and community-based organisations say the report on strikes is not a true reflection. They contend more strikes occurred which were not registered with the department.

In his report, Dr van der Merwe says the upward trend in work stoppages and strikes since the introduction of the new labour dispensation in 1978 also showed an abrupt turnabout in 1983.

Factories

About 64,469 workers from all race groups took part in a total of 346 strikes and work stoppages, in comparison with 141,571 who participated in 394 in 1982.

More than 50 percent of the strikes lasted for one day or less, while 0.6 percent continued for longer than 14 days. The majority of strikes occurred in factories.

Wage grievances were the main cause of strikes, while worker dissatisfaction with employers' methods of handling disciplinary issues came a close second.

According to the report, Dr van der Merwe says the main reason for the decline in the number of strikes was probably the downturn in the economy and the practice followed by employers of dismissing workers who go on strike.

Escalating unemployment and greater use of the official collective bargaining and conciliation machinery were some of the key features of the report.

The number of trade union members rose by 63,294 during the year--from 12,225,454 in 1982 to 12,288,748 in 1983. Five new trade unions were registered. There were 59 unregistered trade unions.

FINANCIAL REPORT SHOWS WRAB DEFICIT

Johannesburg SOWETAN in English 29 May 84 p 1

[Article by Sam Mabe]

[Text]

THE West Rand Development Board, formerly Wrab, is R50,1-million in the red.

This is according to the Auditor-General's report for the 1982/83 financial year released in Parliament.

The report serves to highlight the financial stress under which black townships have been run over the past few years. The R50-million deficit includes an increase of R17,2-million from what it was at the end of the previous financial year.

In the past four years, the deficit jumped by leaps and bounds from R4,2-million in 1980, R18,2-million in 1981

By SAM MABE

and R32,8-million in 1982.

The report states that some of the causes of the deficit were shortfalls in Wrab's revenue, compared to its expenditure on items such as water and electricity, which together constitute a deficit of R6,8-million.

Also there is R2,3-million in respect of rentals still outstanding. The figure shows an increase of R889 164 from the previous year.

Earlier this year, the House of Assembly was told that administration

boards in South Africa owed the Government a total of R120-million which the Auditor General said they would not be able to pay.

He said the boards were repaying the debts at the rate of R413 000 a year and the R3,6-million interest for the year pushed the boards deeper and deeper into debt.

Mr John Knoetze, chairman of Wrab, told The SOWETAN that the deficit would not be inherited by the new town councils which had been under its jurisdiction before they gained autonomy in December last year.

CSO: 3400/1035

NEI BECOMES SOLE SUPPLIER FOR ADE

Johannesburg INDUSTRIAL WEEK in English 15 May 84 p 5

[Text]

A DEAL between two listed companies — Northern Engineering Investments Africa (NEI) and the McCarthy Group — has created a new force in SA's growing diesel engine industry.

In terms of the deal, NEI has formed a new company to handle all its diesel engine interests.

The new company, NEI Africa Diesel Products, will embrace the current diesel engine business of NEI subsidiary Cummins Diesel (SA) and also the ADE and Perkins (including Rolls-Royce) interests of the McCarthy Group subsidiary, McCarthy Grosvenor Engines.

The absorption of McCarthy's ADE business has already been finalised, which means that NEI Africa Diesel Products becomes the country's sole supplier of ADE industrial engines and spares.

Negotiations are well advanced for the Perkins and Rolls-Royce interests to be taken over towards mid-year.

Don Blair, MD of the new company, says he views this important development as a major structural change that will in due course result in an improved service in the diesel engine business industry throughout the country.

"Both Cummins and McCarthy have strong dealer networks, and bringing these together will strengthen the position of the new organisation to meet the supply and service requirements of end users of all four products, — ADE, Cummins, Perkins and Rolls-Royce," he said.

Blair assures the diesel market in general and existing customers in particular, that there will be no disruption of sales or service in the wake of the new deal. "It will be business-as-usual from day one."

CSO: 3400/1035

SA, ZIMBABWE STEEL PRICING TALKS SET

Johannesburg INDUSTRIAL WEEK in English 15 May 84 p 3

[Article by Lynn Carlisle]

[Text]

BESET by fierce in-fighting, steel wire manufacturers from Zimbabwe and South Africa, along with domestic converters, will attempt to thrash out their differences over pricing at Iscor headquarters on May 23.

The outcome of the "trilateral" Pretoria meeting could also affect a Board of Trade and Industries decision arising out of a recent duty increase application by the SA Rolled Steel Producers Co-ordinating Council which is being hotly contested by some converters.

This decision could also signal an end to the dumping of certain imported steel and bring other imported steel product prices in line with domestic charges as local steel producers hang on grimly to maintain market share in a protracted worldwide steel slump.

Smaller converters — many rely heavily on imported raw materials (ie, hard drawn wire rod) from

Zimbabwe's ailing Lancashire Steel, which exports R5-million worth of raw materials to SA's domestic market worth around R400-million — say they face certain shut-down if they lose this source of supply.

"This is because our larger competitors enjoy preferential pricing — depending on who you are — significantly below the local market related prices," says Robin Bosomworth, a director of the converter Robco in Cape Town.

"It is nonsense to claim that LS's prices are below those of Iscor, they are market-related. LS sells through nominated importers, which annoys Haggie Rand and Iscor."

He says Iscor-Haggie declined to talk pricing and distribution with LS's nominated importers when this request was made.

"Talk about LS selling locally for about R100 a ton less than Iscor is totally incorrect."

Nols Olivier, Iscor's senior general manager (steel), refutes the allegations by the small converters. "Iscor is not a catalyst in the mounting price war in raw materials and steel products, he says.

Set prices

"While Iscor has a set price for its 75% total share on the SA market for steel profile and flat products — of which 27% of that amount is sold through seven large and 12 small merchants — there are reasonable discounts for big orders and a 'penalty' for the tiny orders," Olivier adds.

"We don't mind whether Lancashire Steel continues to export to their normal customers here, but they must jack up their prices," says Olivier.

Export market

LS exports 1 000 tons a month of wire rod and wire, at prices around R100 a ton below the domestic price of SA suppliers.

Olivier says Iscor has not over-priced its steel wire rod.

Iscor sells locally for R513 a ton. The USA's domestic price is R628 a ton, Australia's R512, the UK's Government-subsidised price is R390 and the EEC-subsidised price is R281.

"Representatives from the Zimbabwe IDC, Zisco and Lancashire Steel will meet us on May 23. Local wire converters will also attend the meeting to resolve LS's ridiculously low wire rod export price.

"It may be asked why LS cannot charge their price: the reason is that LS's pricing has led to cut-throat price wars in the domestic steel converters' market thereby seriously affecting their profit margins," says Olivier.

He foresees import control on steel-ultimately being lifted and price control replacing it.

Olivier says that all SA industry, not just steel, faces depletion as the country becomes less competitive and production more eroded due to the pressure of inflation.

Inflation rate

"Due to an inflation rate two to three times higher than that of its competitors, and the internal value of the rand not being truly reflected in the exchange rate, SA industry's total cost structure is out of line with its competitors."

Olivier says that the world steel market is at such a low ebb that overseas governments are subsidising their steel companies, but this is not so with Iscor and the South African Government.

CSO: 3400/1035

CLOSURE OF SMALL COAL MINES REPORTED

Johannesburg INDUSTRIAL WEEK in English 15 May 84 p 1

[Article by Lynn Carlisle]

[Text] **COAL exports worth US \$33-million from nine small mines have been lost to competitors, while seven of the mines closed down, due to the Sats rail tariff increases of an effective 28% since April last year.**

An *Industrial Week* investigation reveals that the small mines — members of the Small Coal Owners' Association (SCOA) — in the Ermelo, Carolina, Belfast and Breyten districts previously exported from 60 000 to 70 000 tons a month, mainly through Maputo, and Durban to a lesser extent, and now export consignments of only 25 000 tons a few times a year.

It is claimed that the railrage to Maputo (R17 a ton) and harbour charges (R4 a ton) total twice the pit-face production costs. This has priced them out of the market, losing exports to Australian, US and UK competitors. Shipping 5 000 km costs only R12 a ton.

Extra losses

In addition to the loss of \$33-million (about R40-m) for SA's export-deficient economy other losses include:

- R15-million in coal rail tariffs — although this may well have been counteracted with increased railrage paid by other exporters.
- R1,5-million in small coal company profits.
- An unquantifiable sum in purchases by coal mines from service companies.
- R400 000 in company tax.
- R300 000 in GST.
- The loss of hundreds of jobs in the districts concerned.

"In making the decision to raise tariffs by 16% last year and 19% recently, the Ministry of Transport has not considered all the aspects which influence coal on the export market," says one small coal producer.

He says SCOA members were exporting successfully from Maputo, and to a lesser extent out of Durban, but their costs fob both ports are no longer competitive — even now that orders are increasing as overseas coal stockpiles run low.

"We asked Sats for all sorts of contracts and assistance but received no reaction whatever from them. Now only one, possibly two, of the small exporting mines are still operating," he says.

Seeking special rail tariffs is not the issue as all exporters are in the same boat, although the big coal producers using Richards Bay have the volume and resources to fare better, he says.

The spokesman admits, however, that Richards Bay is starting to accommodate the smaller ships traditionally used by SCOA members, and that Sats has also introduced an effective 7% discount on coal railrage tariffs.

"This is not enough to help us now. We could be exporting 1-million tons out of Maputo if tariffs were not so high. Maputo harbour moves in sympathy with Sats and raised its rates by the same percentage."

Highest rate

Les Weiss, managing director of the Transvaal Coal Owners' Association (major coal producers) says the tariff category under which coal falls has been subjected to the highest rate.

"Even railage from Witbank to the PWV is about coalpit production price. The high tariffs are certainly something we feel strongly about and have been negotiating with Sats on an ongoing basis for a better deal," says Weiss.

Subsidised

Another source feels exporters are "subsidising" the massive losses made by the Sats rail service for commuters.

In reply, Dr Gert Coetzee, Sats assistant general manager (commercial) says coal consigned for export by the SCOA is conveyed by rail to either Maputo harbour or Wests (Durban) "at the lowest possible tariff, ie, Tariff No 15.

"Since the conveyance of coal is uneconomic to Sats there is no question that the SCOA is subsidising uneconomical services which must perforce be rendered by Sats.

"Where a consignor is prepared to guarantee a volume which will enable Sats to introduce more efficient operating arrangements whereby cost savings can be achieved, a lower rail rate will be considered provided total cost of conveyance is covered and the consignor is prepared to enter into an arrangement with Sats," says Dr Coetzee.

CSO: 3400/1035

ESCOM POWER GENERATING DECISION AFFECTS AMCOAL

Johannesburg RAND DAILY MAIL in English 23 May 84 p 9

[Article by Brendan Ryan]

[Text] **AMCOAL will be the company most affected if Escom defers about 5 000MW of generating capacity from its planned growth to 1995.**

Three new power stations for which Amcoal is to supply coal have already been affected. Of these Lekwe seems the one most likely to be hit by further Escom postponements.

Escom announced last year that commissioning of the first set at Lekwe had been postponed for at least a year from the planned date of September 1989.

In April Escom announced commissioning of the No 5 and No 6 generating sets at Lethabo and Tutuka power stations had been deferred by nine months.

Both of these stations are to be supplied by Amcoal collieries.

Escom said the first four generating sets at Lethabo and Tutuka would come in as planned.

The first generating set at Lethabo is to come on stream in 1986 and the first set at Tutuka in 1985. The remaining sets should come in at yearly intervals.

The chairman, Mr Jan Smith, says in his annual review that Escom has

revised its load forecast downwards to a growth rate of about 7% a year from 1983 to 1995.

If the forecast trend is confirmed, it will mean a drop in required generating capacity of 5 000MW which will be achieved by deferring power stations not yet firmly committed, by deferring sets at committed power stations and by advancing the decommissioning of old stations.

An Escom spokesman yesterday declined to give details of which new power stations might be affected by planned deferrals.

Lekwe is the power station to which Escom is the least committed. It is not even mentioned in the section of Escom's annual report dealing with plant on order.

This 3 600MW station is therefore the most likely candidate for any deferrals which may be necessary.

Escom is unlikely to alter the planned schedules for the Koeberg nuclear plant or the Palmiet pumped-storage hydro project.

The older power stations are tiny compared to the new giants and closing the most likely ones will save at best only a few hundred MW.

Escom may also be reluctant to shut older power stations in better-watered areas because of the drought which last year put heavier-than-expected demand for power on these stations.

Therefore, the balance of 1 600MW seems likely to be achieved by deferring new sets.

Escom has already placed orders for boilers and generators for the remaining power stations in its current building programme — Lethabo, Tutuka, Matimba, Kendal and Majuba.

After Lekwe, the Majuba power station, near Amersfoort, appears the most likely victim of further deferments as commissioning of its first 600MW set has already been postponed by a year to 1990.

The final set is scheduled for completion in 1995.

Majuba is to be supplied with coal by Transvaal Land and Exploration (TC Land).

The Kendal power station, near Ogies, is due to have its first generating set commissioned in 1989 and the final set in 1993.

Kendal will also be supplied by TC Land.

CSO: 3400/1035

RICHARDS BAY EXPORT COAL DILEMMA ANALYZED

Johannesburg RAND DAILY MAIL in English 23 May 84 p 3

[Article by Brendan Ryan]

[Text]

NEGOTIATIONS have a long way to go to determine which companies will use the proposed new facility for smaller coal exporters at Richards Bay.

A decision from South African Transport Services (Sats) on whether the terminal — to be completely separate from the existing Richards Bay Coal Terminal (RBCT) — will get the go-ahead is expected early next month.

However, decisions on who will use the terminal, and therefore pay for it, are much further down the track.

If it gets the go-ahead Sats will contribute about R70m for the facility and the users about R170m.

While the exporters granted provisional Phase 4 coal allocations have been broadly split into large and small new users, a number of companies could be classified either way, depending on the permits finally allocated by the Department of Mineral and Energy Affairs.

The dividing line between large and small for Phase 4 was set at 500 000 tons of coal exports annually.

However, a company with an annual export permit for 500 000 tons of one grade of coal could wind up as a large exporter, while another company also exporting 500 000 tons, but of several grades, could be

classified as a small exporter.

The need for a smaller terminal is dictated by the desired size of export shipments from the small mines.

An annual export quota of 180 000 tons is equal to two average shiploads out of the present terminal but the mines would prefer to ship it out in 20 000-ton or 30 000-ton cargoes.

Companies that end up negotiating their way into the present terminal will find there are two kinds of users — the present members and newcomers to the export programme.

The distinction will have important financial implications for the newcomers.

They will probably have to make some kind of financial contribution in recognition of the facilities at the terminal, paid for by existing members, but from which the newcomers will derive benefit in Phase 4 exports.

While major mining houses, such as GFSA and JCI, have participated in earlier exports through Transvaal Coal Owners' Association (TCOA) allocations, they are newcomers to the scheme in Phase 4, which has given them allocations in their own right.

Apart from the technical and financial problems, the expansion to Phase 4 is also affected by the present state of the coal market.

Richards Bay terminal exported 29,84-million tons of coal in 1983 and estimates for this year's shipments

— the first of Phase 3 exports — are for about 35-million tons.

However, industry sources say exports to date in 1984 are running at about 10% below forecasts and the 35-million tons estimate could be revised.

Delays to the build-up to full Phase 3 output of 44-million tons annually will postpone the start of Phase 4, which is already not expected to come in before 1990.

Things could get worse with the huge El Cerrejon export coal mine in Columbia apparently on schedule and due to start competing with SA exporters in European markets from next year.

Richards Bay Coal Terminal and Amcoal chairman, Mr Graham Boustred, says negotiations on the Phase 4 expansion of the facility have reached an advanced stage but are extremely complicated.

The present members have spent about R350m to bring Phase 3 on stream. The terminal, as it stands, has considerable "brownfields" potential in that it can be expanded to meet the Phase 4 allocations of the existing members.

New members joining the RBCT would have to go "greenfields" and pay for new facilities for the export of their allocations.

"However, we are looking at a single, integrated export terminal. The brownfields potential of the terminal belongs to the present members who paid for it.

"The question of members participating physically in Phase 4 can

be easily related to the overall growth in the export market, provided the participants contribute financially in terms of the greenfields/brownfields structure of the terminal," Mr Boustred says.

Industry sources estimate that the terminal, as it stands, can be expanded from the Phase 3 limit of 44-million tons a year to about 50-million tons a year with little difficulty or additional capex.

Given continuing weak conditions in the coal export market, that raises the question of whether the existing members might try to use it to meet some of their Phase 4 allocations while deferring a full-scale go-ahead on the Phase 4 expansion.

Alternatively, they could use this spare capacity to bring in the Phase 4 newcomers, after a suitable contribution to Phase 3 costs, although whether the Department of Mineral and Energy Affairs would agree to either proposal is debatable.

At this stage, newcomers joining the RBCT are likely to be Anglovaal, with Grinaker Desert Spar (1.5-million tons), GFSA (2-million tons), Icodev, which is a subsidiary of Agip (2-million tons), JCI (1.5-million tons), Messina (500 000 tons), Duiker (500 000 tons) and Clydesdale (500 000 tons).

Companies which are on the borderline between the RBCT and the smaller terminal are D & H Coal (675 000 tons), Alfred McAlpine (500 000 tons), Kangra (550 000 tons) and Tselentis Brothers Mining (750 000 tons).

CSO: 3400/1035

RAND TO DEVELOP NEW COAL MINES TO SUPPLY ESCOM

Johannesburg THE CITIZEN in English 29 May 84 p 26

[Article by Don Wilkinson]

[Text] RAND MINES is to develop two new mines to supply coal to Escom via a joint venture between TC Lands and Witbank Colliery, at a cost of almost R1,18-billion over the next 15 years, in current money terms.

Neither of the companies will benefit more than minimally from the venture over the next couple of years, but thereafter, says the joint announcement by the participants, both should see improved earnings a share.

The two mines, to be called Khutala and Majuba, will be in the hands of the joint venture, in which wholly-owned subsidiaries of TCL and Wit Colls will hold 30 and 70 percent respectively.

Under the arrangements, TCL will assign the use of its Escom contracts for the two mines,

together with its coal rights, to the joint venture, and in addition, the joint venture will also have the use of a Phase IV-A export allocation of 2,5-million tons of No 5 seam coal at Khutala. (Coal from this seam is not a part of Khutala's Escom contract).

Finance is to be funded primarily from internal resources, with the balance coming from borrowings, most of which have already been arranged.

The Khutala colliery, which is near Ogies in the Eastern Transvaal, Kendal station, and will begin producing in 1987, with output reaching some 12.2-million tons a year

by 1992.

At Majuba, which is near Amersfoot and will be supplier to the station of the same name, production is scheduled to start in 1989, with 11,9-million tons a year reached by 1994. Both mines are expected to have lives of 40 years.

Market sources suggest that the new venture offers Wit Colls a useful opportunity to take part in additional Escom business. Because of the quality of its product, and the fact that its operations are situated in a sulphur-restricted zone, Wit Colls has had only restricted opportunities to invest its surplus cash in new coal mining projects.

CSO: 3400/1035

MIDDLEBURG STEEL ADVANCES PLANNED

Johannesburg MINING WEEK in English 16 May 84 p 2

[Text]

MIDDELBURG Steel, the R500 million stainless steel and ferrochrome giant in the Barlow's stable, has issued a provocative challenge to South African industry which it believes will treble the R250 million stainless steel industry in the country and greatly increase the export of finished products.

"South Africa lags far behind the rest of the world's industrialised nations in its use of stainless steel and the challenge is to fabricators to find new and innovative ways to use stainless steel," a company spokesman said.

In return, Middelburg is offering a wide range of incentives including bridging finance, sponsorship of prototypes, design, manufacturing and marketing assistance, promotional and advertising support, as well as guidance and help in export markets.

Middelburg, which exports R200 million worth of ferrochrome annually and is the second biggest world-wide exporter of the stra-

tegic material, is well placed to assist and advise would-be South African exporters.

Mr John Hall, chairman of Middelburg Steel, said in a statement: "In certain areas of design and manufacture, South Africans shine as world beaters, but when it comes to the use of stainless steel, we are still in the dark ages compared to the Japanese, Americans, Germans and other advanced industrialised nations.

"Stainless steel used in South Africa is only 0,5 percent of the total carbon steel consumption.

"This is only a little more than a third of Spain's 1,46 percent. Sweden uses 8,44 percent, Japan 2,07 percent, France 2,07 percent and the USA 1,65 percent.

"This shows how far we have to go to catch up to the modern world. We at Middelburg Steel believe, however, that it is quite possible to do so.

"We are looking for those merchant adventurers among South Afri-

can fabricators who will match the support we are offering with drive and initiative."

Mr Hall said Toronto was a world leader in the architectural use of stainless steel, the USA leads in its automotive industry, Germany in domestic appliances, Japan in bathroom fittings, France roofing and tubing and Scandinavia in the export of superbly designed stainless steel consumer products.

"There was no reason why South Africa should not match or exceed them in these areas, and in addition establish new breakthroughs.

"We are geared up at Middelburg Steel to offer every possible facility to encourage specifiers in the first-time use of stainless steel for new capital projects, and to assist fabricators to get innovative new products onto both the local and export markets," he said.

HLH STEEL DIVISION EXPANSION PLANNED

Johannesburg THE CITIZEN in English 29 May 84 p 29

[Text] The steel division of Hunt Leuchars & Hepburn Holdings is expanding its steel-processing operations by spending R12.5-million on establishing a steel service centre at Queenstown in the Eastern Cape.

The new centre, which forms part of HLH's wholly-owned Wolhuter steel division, is expected to be completed by mid-1985, and will have an annual capacity of over 40,000 tons on a single shift.

The decision to go ahead at Queenstown follows the success of the Wolcut plants at Vanderbijlpark and in Durban.

In February, 1983 HLH announced that it was investing R30-million in the Vanderbijl operation, and in February the last of its four cut-to-length lines was commissioned.

HLH steel division chief executive Rob Jeffrey said: "The success we've had at Vanderbijl and Natal has encouraged us greatly, and in line with Wolcut's strategy of creating a national cut-to-length operation we have identified the Eastern Cape as a prime target.

"At present Wolcut Vanderbijlpark serves the industrialised PWV area and our Durban line supplies products for the Natal-based motor and white goods industries. Our customers at these two facilities have seen the benefits of the marked efficiencies of throughput from these plants and the quality of service we can offer them. In these times of high interest rates, they have also enjoyed the benefits of dramatic stock rationalisation."

He added that the motor industry in the Eastern Cape represents 43 percent of the national total, and HLH believes there is a great opportunity for sales of precision-cut sheet steel blanks in the region, not only to motor manufacturers but also to the white goods industry.

Mr Jeffrey noted that Queenstown has a developing infrastructure and is one of the fastest-growing of all border area towns. The plant will be ideally placed to supply customers situated in the area as well as in East London and Port Elizabeth, while Decentralisation Board concessions are a further incentive to locate in the area.

PRESIDENT BRAND TO BE WORLD'S BIGGEST GOLD PLANT

Johannesburg MINING WEEK in English 9 May 84 p 5

[Text] **A NEW gold plant under construction at President Brand will be the world's biggest of its kind.**

The plant is one of a number of major projects at the Anglo American gold mine in the Orange Free State.

Work is also in progress on the sinking of two shafts as part of an ambitious capital expenditure programme which will absorb an estimated R113 million this year alone.

These and other projects are aimed at increasing production by about 33 percent and, at the same time, improving extraction rates in the new six module 390 000 t/month gold plant.

At present President Brand mills about 280 000 tons a month and, at an average yield of 6,8 grams/tons, the mine expects to produce 22 980 kg of gold this year.

Progress is being made on the new No. 5 Shaft, where R30 million is to be spent this year on sinking, station cutting, developing and the provision of rock hoisting facilities.

Shaft sinking started in 1981 and so far R107

million has been spent on this project. The total cost will be about R244 million in 1980 money.

It is anticipated that No. 5 Shaft will hoist its first ore early in 1987.

The No. 1A Shaft, 300 metres from the No. 1 Shaft, is the second new shaft being sunk. This will be used to recover gold from the No. 1 Shaft pillar, which contains high grade ore.

In an unusual arrangement, ore will be hoisted to 28 level (1 150 metres below surface) in the No. 1A Shaft, when operations start, and will then be conveyed to No. 1 Shaft to be hoisted to the surface.

More than R16 million has been allocated to this project this year.

While all this is in progress, work has started underground to provide increased mining capacity to match the demand to be created by the new plant. Work underground will absorb R12,2

million this year.

The new gold plant, to be commissioned in 1986, will cost R157 million in 1983 money (R21,7 million to be spent this year), and will replace the existing gold plant which started operating nearly 30 years ago.

Work on the new plant started in January this year.

The plant will be constructed in modular form with run-of-mine milling and carbon-in-pulp process configuration, with gravity concentration.

The latest technology is being applied throughout in the design.

Two railbins and 12 coarse ore silos will provide 48 hours storage for the six 4,9 metre diameter by 10 metre long run-of-mine mills which will grind ore to about 76 percent minus 74 microns.

Gravity concentration will be by conventional Johnson drums and endless belts, while thickening will be carried out in

six 60,96 metre diameter cable-torque thickeners.

The leach circuit will consist of 27 mechanically agitated vessels, arranged in three trains, and providing 24 hours residence time.

Dissolved gold recovery will be by carbon-in-pulp process, followed by elution, zinc precipitation, precoat filtration and submerged arc smelting.

Gold recovery from gravity concentrates will be by the intensive cyanidation process.

No. 5 Shaft

The No. 5 Shaft will open up the southwestern portion of the lease area.

Production from this area will replace other areas where mining is coming to an end and, at the same time, will also provide the necessary increased capacity.

The new shaft has now reached a depth of 1 824 metres, the final depth is to be 2 194 metres. This shaft will have a capacity of 150 000 t/month.

A surface refrigeration plant of 32 000 kW capacity is to be constructed, and this will almost double the present refrigeration capacity at President Brand.

A chilled water storage facility is also to be provided on surface.

The shaft will be equipped with three winders, one of rock and two of men and materials.

The 6 000 kW rock

winder at present being installed is the largest Vecor winder available, with drums six metres in diameter.

This will hoist two 16 t skips and is expected to be commissioned in late June.

The No. 5 Shaft is slightly oval, measuring 9,5 metres by 10,5 metres, with a headgear 73 metres tall.

By the time No. 5 Shaft is fully equipped all levels underground will be able to cope with development work carried out in multi-blast conditions.

At present, development work is being carried out on three levels from No. 2 Shaft in order to provide ore reserve for No. 5 Shaft when it is commissioned.

The lowest operating level being developed in this way is 2 100 metres below surface.

The other levels to be holed through will be at 2 040 metres and 1 980 metres.

The Basal reef will be mined initially, and the shallower Leader reef will be mined later.

The new No. 5 Shaft hostel is complete, but provision is now being made for it to be extended in view of the planned increased mining capacity.

At present the hostel can accommodate 3 200 people, after extensions it will accommodate 6 000.

R63-m Shaft

THE total cost of the 1A Shaft will be R63 million, which includes ventilation arrangements, development and an underground hoist.

The new shaft is to partially replace the existing No 1 Shaft, which is in a highly stressed area, and will give access to the No 1 Shaft pillar. It will also improve underground ventilation.

This is a circular shaft of 6,3 metres in diameter.

It will be used on an upcast ventilation shaft to a depth of 1 085 metres and below this, to a final depth of 1 487 metres, it will be used to hoist ore.

So far R15,5 million has been spent on this project.

Work started in January last year and the shaft has now reached a depth of 1 084 metres. Sinking is expected to be completed by early 1986.

Profiling of stations is being carried out as sinking progresses, and work on the development of the hoist chamber is about to start.

Underground hoisting facilities will comprise a Koepe winder for rock and ore, and a small double-drum winder will be installed for men and material.

The shaft is being sunk through a stoped out area and as a result 10 000 tons of grouting material has had to be used to fill in the area.

CSO: 3400/1035

FINANCING FOR SASOL 4 PROPOSED

Johannesburg THE CITIZEN in English 29 May 84 p 4

[Text]

THE MAIN purpose of legislation to divert and save part of the money raised from a levy on fuel sales instead of using it to finance the Budget was to ensure funds would be available for future projects like a Sasol 4, the Minister of Mineral and Energy Affairs, Mr Danie Steyn, said.

Replying to the second reading debate on the State Oil Fund Amendment Bill, he said this was the rationale behind the Bill, but that the PFP opposed it even though Mr Harry Schwarz (PFP Yeville) had emphasised the importance of a Sasol 4 project for the Republic's future energy needs.

The Bill provides for the Treasury to take some of the money in the State Oil Fund, which in return is given wider powers to transform it into a general

Energy Development and Trading Fund, and new pools of general investment.

The Conservative and New Republic Parties supported the Bill.

If Mr Schwarz' advice was followed, and the money saved for a future Sasol 4 project was "blown", the motorist would have to be approached for even more money if such a project, or another for the manufacture of synthetic fuels, was undertaken in future the Minister said.

Mr Schwarz had demanded that money obtained from the sale of Sasol shares be used for the current Budget, but must know it was not good financial sense to use capital which had been built up for current expenses.

Referring to Opposition fear that public

money used for oil procurement was not subject to audit by the Auditor General, Mr Steyn said the amount of State money used in clandestine oil purchases had been relatively small in the past.

Now that this percentage was increasing, his Department was taking a close look at the situation.

The present Bill was an "interim measure" to set finances in order with a view to more comprehensive legislation next year which should allay Opposition fears regarding accountability for public money, he said.

The Bill was read a second time after a division in which the PFP voted against the NP, CP and NRP.

CSO: 3400/1035

IMPORTS THREATEN CEMENT INDUSTRY'S FUTURE

Johannesburg RAND DAILY MAIL in English 24 May 84 p 15

[Article by Priscilla Whyte]

[Text]

IMPORTS are threatening the future of the cement industry and a committee has been formed to advise on import policy.

This was announced by Mr D R Baker, chairman of Natal Portland Cement (NPC), at the official opening of Natal's first clinker factory, Simuma, near Port Shepstone this week.

Mr Baker says the industry can handle the import problem, but not without long-term effects on development.

Of the R158m spent on the Simuma plant, excluding the railway line, R40m was due to escalation during construction. GST amounted to about R6m at the 4% rate.

Mr Baker believes the Government would receive R150m on the estimated R1,5bn value of the plant.

Inflation is another problem for the capital-intensive cement industry.

If GST were added to the capital cost of the plant, "and if we were earning 10% on the investment, we would hope to increase the price of cement to bring in an additional R15m in revenue — a very bad thing from a competitive point of view", Mr Baker says.

Mr Dennis Rowe, managing director of NPC, says the Simuma plant came on stream late last year with an annual capacity of about 500 000 tons.

It was designed for a second kiln to be commissioned in the next three to five years but an international cement surplus has cast doubts on this projection.

He adds that the industry has low margins and profitability is volume-related.

The SA market consumes 8-million tons of cement a year, but overall demand is believed to be down 5% on last year.

The bulk cement price on the Reef is R70 a ton compared to R90 in Durban.

Simuma, 140km from Durban, means that Natal will no longer have to rely on supplies from Lichtenburg, in the Western Transvaal.

Clinker is the principal ingredient of cement (80%-90% by weight).

The Simuma project included a R30m railway spur from the coast to Simuma for the supply of certain raw materials and to transport clinker to Durban, where it is milled into cement.

The project was a joint venture backed by the entire South African cement industry — Anglo Alpha, associated with the Swiss Group, Holderbank Financiere Glaris, Cape Lime, a member of Federale Volksbeleggings, Pretoria Portland Cement, a Barlow Rand company, and Blue Circle.

Standard Bank put the package together.

CSO: 3400/1035

SA MUST LEARN DROUGHT LESSON, URGES VOLKSKAS

Johannesburg RAND DAILY MAIL in English 21 May 84 p 16

[Text] **SOUTH AFRICA's economic decentralisation plans need fundamental reconsideration to take account of a continuing critical water situation.**

This is the view of the May Economic Spotlight from Volkskas.

The bank says various lessons must be learnt from the drought:

"It has been brought home to South Africans just how important a commodity water is for the economy.

"Water shortages and rationing have come to stay.

"The policy with regard to the location and decentralisation of industries will have to be reappraised in depth.

"We will have to make sure that water is available and ascertain its cost.

"The drought has reconfirmed for both the Government and the consumer the strategic importance of agriculture for the economy as well as its vulnerability."

Volkskas says agriculture also has lessons to learn from the drought:

- Farming operations must be diversified to reduce risks associated with yields and prices.

- More efficient use of water will "have to become a matter of the highest priority for our irrigation farmers".

Volkskas says the agricultural sector has been increasingly subject to a price-cost squeeze, with the result that the farmer's net income in real terms has not kept pace with the turnover of his farming operations.

"Net farming income declined from 48,6% of gross income in 1975 to 16,6% in 1983. During the same period, input costs rose from 32,8% to 50,5% of gross income, while interest costs increased from R134m in 1975 to R865,4m in 1983.

"Thus, farmers have found it increasingly difficult to finance inputs from their own resources and have become more dependent on external sources. These trends are expected to continue."

Farmers' debts amount to about R6,4bn. On the face of it, this seems a healthy situation, given the total invest-

ment of R36,8bn.

"The composition of the debts has changed, however — from largely long-term debts in 1972 to mainly short-term debts in 1983. At present more short-term loans are granted, which is symptomatic of the cash flow problems experienced by farmers. The ratio of short-term credit to net farming income deteriorated from 0,39 in 1974 to 0,82 in 1981 and 2,90 in 1983.

"The worsening terms of trade position and the poor yields owing to drought during the past few years have caused carry-over debts with co-operatives to rise sharply to more than R7bn."

The Land Bank had been financing farmers to an ever increasing extent by way of cash credit loans through co-operatives. Thus the co-operatives were becoming more involved in the credit supply function, and more associated with the risks of that role.

"Since the agricultural sector has been financed by the Land Bank at market-related interest rates and the rates of other financial institutions have been rising sharply, farmers' financing costs have increased substantially. These rises in financing costs have coincided with a marked decline in the agricultural cycle," says Volkskas.

The drought had shown that the concession to farmers of a rebate of 100% of the purchase of capital equipment should be reconsidered.

Co-operatives would have to diversify strategically to include more agriculture-related and other processing industries to reinforce their own resources and reduce their direct exposure to the vicissitudes of the agricultural industry.

Because of financial pressures brought to bear on them by the drought, co-operatives would have to revise regularly their policy of providing forward production credit to farmers.

The vulnerability of the economic viability of meat-related businesses in rural areas and their dependence on the prosperity of agriculture had been emphasised anew. This important sector received no Government assistance of any kind.

DETAILS ON GROUNDWATER SUPPLY GIVEN

Johannesburg THE STAR in English 19 May 84 p 11

[Text]

THE recent drought has demonstrated just how fickle South Africa's rivers are. Now we may have to mine water.

Among the many positive things which have come out of the drought is the belated attention water experts are now paying to a hitherto almost under-used supply of water hidden underground in the Transvaal's huge dolomite reservoirs, or flowing through cracks and fissures in impervious granite, or moving almost imperceptibly through the rocks of the Karoo System.

Groundwater has been called our 'liquid gold' and seems destined to become, in the next few months, one of the most important topics of conversation for economists and conservationists alike.

Professor Jay H Lehr, official advisor on water affairs to President Reagan, and executive director of the National Water Well Association of America has said: "Community after community

throw up their hands in frustration over the dwindling availability of water to supply their ever-expanding population, yet they and their water-supply consultants do not adequately investigate ways to use underground water supplies."

Professor Lehr was in South Africa recently and will be back for an international conference later this year — the first international conference on groundwater to be held outside America.

Conservationists warn that groundwater forms part of a delicately balanced ecosystem. If we tap the reserves recklessly we will have to face negative consequences.

Underground water may be hidden, but it has a direct effect on vegetation. It is diffused slowly upwards by the suction pressure of the roots of plants and many trees have long tap roots which penetrate underground reservoirs. And we have already seen the devastating results of sinkholes after

mines pumped out underground water in the Western Transvaal.

Mr R Vegter, head of the Geohydrology Division of the Department of Environmental Affairs warned that South Africa cannot use groundwater to the extent that it is used in other countries.

"In the United States, most of the rocks are porous. But in South Africa the geological formations don't lend themselves to the storage of large volumes of water. Generally we have hard rock formations and the storage capacity is limited."

Limited use of groundwater in South Africa is not a recent development. Mr Dale Hobbs of the Rand Water Board told me that the Board has been tapping underground water reserves at the Zuurbekom Wells since early this century.

"The demand for water is growing, and after the drought we realised that we need to supplement the water we pump from dams. At

present the wells supply us with up to 25 megalitres a day and we are planning to expand this to about 100 million. The Cornelia Mine near Vereeniging gives 20 megalitres a day and we will expand this to about 80 megalitres during next year."

But the RWB plans this only as an emergency, back-up measure. And if it sees that the water table is becoming too low, it will stop pumping. So the danger of sinkholes should be obviated, but only time will show the effect that increased pumping may have on vegetation.

A Government water engineer is more optimistic. He told The Star he believes that as much as the full capacity of Vaaldam could be obtained in the Pretoria-Witwatersrand area, as an emergency measure, for two years running — without the threat of sinkholes. He said that 340 million cubic metres (as much as Grootdraaidam holds) could be obtained annually in normal times.

His views are not shared by all official engineers.

The effect of private boreholes on groundwater reserves, and the extent of pollution have also not yet been determined. One groundwater expert says that in the granite areas such as in northern Johannesburg and Sandton it does not much matter if boreholes are pumped dry because they are merely water-filled fissures which rapidly fill up when normal rains return.

The forthcoming international conference on groundwater technology will be held in Johannesburg's new National Exhibition Centre at Crown Mines in November. It is being hosted by the Borehole Water Association of Southern Africa and 700 experts in groundwater technology are expected to attend. One day has been set aside for the layman. □ *By Lynne Wilson, Staff Reporter.*

CSO: 3400/1035

ELIMINATION OF HYDROGEN SULPHIDE EMISSIONS STUDIED

Johannesburg INDUSTRIAL WEEK in English 15 May 84 p 4

[Article by Simon Cashmore]

[Text]

SASOL has denied that it is building a R20-million plant to eliminate hydrogen sulphide emissions from its factories at Secunda.

Dismissing recent reports in a Johannesburg newspaper of a R20-million Sasol plan to get rid of its "rotten egg" smell, an official spokesman for Sasol says: "The current project by Sasol to eliminate the release of amounts of hydrogen sulphide does not imply the building of a totally new plant.

"Research has been going on at Sasol for about 10 years and plants were erected at Secunda during the construction of Sasol II and Sasol III to remove the hydrogen sulphide from the vent gases."

He points out that because no process existed which could remove hydrogen sulphide from coal gasification off-gases Sasol had to embark on a R1-million research and development programme.

"During the past three years development and research by Sasol scien-

tists and engineers, with the assistance of overseas experts, has been particularly successful and Sasol is on the verge of a breakthrough in the removal of hydrogen sulphide from its stack emissions.

"The commissioning of these plants (at Sasol II and III (from the end of 1984 until about mid-1985 will almost completely eliminate the emission of hydrogen sulphide from Secunda," he says.

"The current project does not entail the building of a totally new plant, but must be seen as an extension and modification of existing plants based on recent technical breakthroughs.

"The cost involved in the commissioning of each of these two plants at Secunda is estimated at R20-million and a further R20-million will be spent on improvements."

He adds that the cost of establishing and commissioning pollution control plants at Sasol II and III is more than R150-million.

MILITARY VIGILANCE URGED DURING ELECTION CAMPAIGN

AB291000 Kinshasa AZAP in French 0755 GMT 29 May 84

[AZAP commentary: "Vigilance and Loyalty"]

[Text] Kinshasa, 29 May (AZAP)--What should be the Zairian soldier's contribution to the success of the July presidential election? Twice last week, the military authorities directly or indirectly asked themselves this question. The first time was at the seminar organized by the general staff for the commanders of the major military units; the second was during the third annual meeting of political instructors.

We need not stress that these two meetings took place immediately after the party's second extraordinary congress, and shortly before the great political event, represented by the forthcoming presidential election.

During their meeting, Zairian Armed Forces political instructors looked for ways and means of making it possible for the soldiers to take an effective part in the election campaign. By creating the corps of political instructors 9 years ago, the leader Mobutu wanted to place at the disposal of the Zairian soldier an organ that will enable him to participate in the national debate for the construction of the country, thus doing away with the old custom that made the soldier a separate social category within the community.

In this connection, the meeting of political instructors enabled the participants to determine the situation of setting up party and youth committees within the military units to ensure adequate ideological training. The seminar of the commanders of the major military units had more or less the same purpose. In fact, apart from the strategic and defense problems that formed the main points on the agenda of the military leaders, attention was given to the ways and means of ensuring the peace and security of the citizens especially during this great political year.

Both meetings reached the same conclusion: revolutionary vigilance is indispensable. By reaching this conclusion, the political instructors and the commanders of the major military units responded to the call made by the founding chairman [President Mobutu] at the opening session of the recent party congress--he called for national cohesion, for the security of all and for vigilance against all forces of division.

But for the Zairian soldiers, vigilance also means loyalty to Marshal Mobutu--who is the embodiment of the unity and continued existence of the nation--and respect for oath which makes them the guarantors of the national institutions.

CIO OFFICERS WARNED TO RESPECT RIGHTS OF DETAINEES

Harare THE HERALD in English 11 May 84 p 9

[Text] WHILE it is accepted that CIO officers must be able to investigate allegations of threats to the security or public order in Zimbabwe, they must exercise their powers within the law and respect the rights of detainees, a High Court judge has warned.

Mr Justice Smith expressed serious concern over what appeared to be "contemptuous denial by CIO officers" of Harare businessman Samson Paweni's right to consult lawyers during the first days of his detention in March.

The judge also warned the Minister of State (Security) and if, in future, an application was made before him by a detained person seeking legal access because of CIO denial, "it is highly likely that costs will be awarded to the detained person on a legal practitioner and client basis".

Costs in this type of application are normally awarded on a party-to-party scale. The legal practitioner and client scale is more costly and can be awarded if the unsuccessful party's actions are "sufficiently reprehensible or blameworthy to justify such an award".

Mr Justice Smith made the remarks in a written judgment handed down in Harare recently in which he refused Paweni's application for bail.

The judge said that soon after his arrest Paweni was visited twice by his lawyer.

But on both occasions a CIO officer was present and even took notes of the discussions. It was said that Paweni's lawyer was allowed access only on condition that a CIO officer was present.

Mr Stephen Mafara of the civil division of the Attorney-General's Office (for the Minister of State--Security) had conceded that the CIO officers had acted improperly in denying Paweni the right to consult his lawyer in private.

Mr Justice Smith said the constitutional right of detainees to visits by their lawyers was clearly established by the Supreme Court as far back as June 1982 in the case of the Minister of Home Affairs versus Dumiso Dabengwa and Lookout Masuku.

"Yet in March, 1984," said the judge, "CIO officers are apparently still denying detained persons one of the rights, and a most important one at that, conferred on them by the Constitution."

This right of access was thoroughly canvassed in the recent air force officers' trial, said Mr Justice Smith, and the issue was extensively reported in the local Press.

"It is inconceivable that the existence and inviolability of this right is not known to all CIO officers of any standing.

"This court takes a very serious view of such deliberate flouting of the provisions of the Constitution by CIO officers."

Mr Mafara had said in argument that if Paweni had applied for an order of mandamus to secure this right, the State would not have opposed the action.

"I fail to understand," said Mr Justice Smith, "why it should be necessary for a detained person to have to apply to a court for a mandamus before he can exercise the rights which are conferred upon him by the Constitution."

The CIO had extensive discretionary powers conferred upon them, he said.

"The conferring of such powers carries a concomitant obligation that they must be exercised bona fide, reasonably, with discretion and within the law.

"CIO officers must be zealous in ensuring that the provisions of the Constitution and the (Emergency Powers) Regulations are complied with and that the rights of detained persons are respected."

But he said that while the methods adopted and the reasons given by CIO officers for Paweni's detention could be criticised, he did not feel there were sufficiently strong grounds for coming to the conclusion that they were acting with improper motives. Bail was refused.

He would have declared Paweni's detention unlawful if it had been proved that the CIO detained him under Emergency Powers Regulations merely as a means to investigate a criminal offence or to prevent him from jumping bail.

Mr Ian Donovan, instructed by Gill, Godlonton and Gerrans, appeared for Paweni.

CSO: 3400/985

NHONGO SAYS ARMY ACTION HAS REDUCED DISSIDENT MENACE

Harare THE HERALD in English 12 May 84 p 1

[Text]

SINCE the imposition of the curfew in Matabeleland South on February 8, and subsequent army operations, the number of dissidents in the area has been reduced to about 40 or 50, the commander of the army, Lieutenant-General Rex Nhongo, has said.

He was speaking to about 50 local and international journalists who visited the area this week to investigate alleged mass killings of civilians by security forces.

Another army officer operating in the area said some of the dissidents might have moved into Matabeleland North, and that these were suspected of having cut the ears, noses and lips of five Mwenzei teachers in February.

The decrease in dissident activity in the province can be seen from heavy road construction programmes being carried out in the area without hindrance.

Before being driven to the operational area, journalists were taken to Brady Barracks in Bulawayo where they were shown arms captured from dissidents.

These included ZNA and Rhodesian army uniforms, AK rifles, grenades, light machine guns, TM 46 landmines, kitbags, some of them made in Austria, and 7,62 ammunition.

A few hats had the "Father Zimbabwe" badge

of Dr Joshua Nkomo on them.

Driving through the area, journalists and soldiers were greeted with clenched-fist salutes by some people walking along the road.

Stores and buses are operating normally and people could be seen carrying goods from shops.

Pastor Luke Sibanda (49) of Matopo Mission, about 60 km south-east of Bulawayo, told journalists that life had returned to normal in his area since the arrival of security forces.

"Most people who have been beaten here have blamed dissidents, and I cannot remember anybody saying he was beaten by soldiers," said Cde Sibanda.

However, some communal people accused the army of beatings and rape. Of those who accused the security forces of killings, none of them could produce concrete evidence to support their allegations.

At a Press conference in Bulawayo yesterday, the Minister of State for Defence, Cde Ernest Kadungure, said the army was doing a fine job.

Cde Tsimba was asked if he could say there had been "minor atrocities" rather than "large-scale atrocities".

He replied that if the bruises and lacerations on people treated by a doctor at Mtshabezi Mission and allegedly caused by the army could be called atrocities, then "those are your words".

CSO: 3400/1010

FAMILIES SQUATTING ON SHURUGWI FARM WILL NOT BE EVICTED

Harare THE HERALD in English 18 May 84 p 1

[Article by Ndaba Nyoni]

[Text] THE 27 families who are occupying Little Impala Farm near Shurugwi will not be evicted despite a court order for their removal, the Minister of Lands, Resettlement and Rural Development, Cde Moven Mahachi, said yesterday.

In an interview with The Herald, he said that as far as his ministry was concerned the families were not squatters and there was no reason why they had to be evicted.

"These people have been living on the farm since 1957 and the previous owner never saw it fit to evict them. Even the ruthless Smith regime left them as they were and what reason do we have to evict them?" he asked.

A Shurugwi farmer, Mr Robert Rensford, bought the 1 620 ha farm in 1980 for an estimated \$40 000 and it is alleged that there were only 18 families then, who had refused to work on the farm.

In October last year the High Court ordered the Commissioner of Police to help court officials evict the families following Mr Rensford's summons against 15 of the families for damages arising from their "illegal use" of his land.

The commissioner later appealed against the judgment and the Supreme Court in March dismissed his appeal, saying he did not have any rights to override legislative enactments or to authorise members of the police force to disregard their duties.

A day after the dismissal of the commissioner's appeal, Mr Rensford's attorneys wrote to the commissioner requesting him to instruct the police to help a messenger of court serve the families with eviction notices.

However, the families are still on the farm and Cde Mahachi said: "They are going to stay because we cannot evict families that have been staying peacefully on a farm for 28 years."

He said Mr Rensford bought the farm knowing that there were people who had been on the farm for a long time and his ministry's officials had advised him not to buy it.

"If Mr Rensford wants to stay on the farm, then he should be prepared to accommodate all the families and if it's not possible, he can sell it to the Government. In fact, I have already sent officials to request him to sell it to us."

Cde Mahachi said Mr Rensford had "negative motives" and if people like him were left to do as they pleased, then the Government would be heading for disaster.

Mr Rensford's case was not the only one: there were many similar cases and if the Government gave in to his case, many other farmers in the same situation would do the same.

Asked whether his ministry's decision would not affect the relations between the Government and the Commercial Farmers' Union, Cde Mahachi said:

"We don't follow a policy to appease an individual or a certain group of people at the expense of our people. However, we have been discussing with the farmers' unions and, obviously, we do not agree on some issues and disagree on others.

CSO: 3400/1009

RESERVE BANK DEFENDS ASSETS FREEZE

Johannesburg RAND DAILY MAIL in English 10 May 84 p 20

[Text]

THE Reserve Bank of Zimbabwe, defending recent measures to limit payments to former Zimbabweans now living in South Africa, said yesterday the government had to "ensure the country's ability to meet existing international obligations while saving money for food imports".

The bank, in a statement released in Johannesburg, said it accepted that the measures would cause hardship. However, it would consider applications for exceptional treatment from the sick and needy.

The statement stressed that the measures had been taken to help the country right itself after experiencing three years' of world recession and "the worst drought in the country's recent history".

One of the measures was the acquisition of the "pool" of external securities.

"Neither former nor current residents of Zimbabwe have, at any stage, had the right to convert the sale proceeds of their foreign shares, registered in the name of a nominee company, into foreign currency.

"Since 1965, residents of Zimbabwe were only permitted to purchase foreign securities with Zimbabwean funds — subject to the transaction being effected through a Zimbabwean stock broker and subject further to the shares being registered in the name of a nominee company."

These shares were only available from the existing "pool" of Zimbabwean foreign assets and were bought on the understanding that, in the event of a sale, owners would only receive the proceeds in Zimbabwe, and in Zimbabwean currency.

The measures recently announced by the Minister of Finance, Economic Planning and Development would result in all former residents receiving the market value of their external shares in Zimbabwean currency.

"Immediately thereafter, the sale proceeds may be invested in the redeemable 12-Year 4% External Bonds referred to in the Minister's announcement."

All funds blocked since 1965, and funds owned by future emigrants, "are to be released through the medium of Government of Zimbabwe 12-Year 4% External Bonds.

"At the same time, the annual income limitation of 15 000 Zimbabwean dollar has been lifted in those cases where individuals elect to invest their entire Zimbabwean assets in the redeemable bonds."

CS0: 3400/985

REPORTER ADMITS ATROCITIES EVIDENCE ARRANGED

Harare THE HERALD in English 17 May 84 p 1

[Text] PETER GODWIN of the London Sunday Times has admitted that he arranged with Father Gabriel of Minda Mission in Matabeleland South to gather witnesses to testify about alleged army killings of civilians near Kezi.

In his latest dispatch about the recent trip by more than 50 local and international journalists into Matabeleland South published last Sunday, Mr Godwin said:

"I had warned the priest at Minda Mission of our intention to pay him a visit and he had gathered some witnesses together."

Before the witnesses gave their evidence the Director of Information, Dr John Tsimba, complained that their evidence could hardly be relied upon as they had been "rehearsed".

Cde Tsimba complained that the witnesses "can hardly be said to be reliable witnesses because I would have expected journalists to interview people that had been randomly selected".

The witnesses contradicted each other under close questioning by local journalists.

In the same dispatch, Mr Godwin also admitted that he served with the Rhodesian security forces during the liberation struggle.

"During my national service I was a member of the Police Anti-Terrorist Unit (Patu) serving in Matabeleland," he said.

Patu operated as a semi-military regiment under the Ian Smith regime during the war.

CSO: 3400/1009

GWERU OXYGEN PLANT FIRST IN WORLD

Harare THE FINANCIAL GAZETTE in English 11 May 84 p 13

[Text]

OXYCO'S new \$5,4 million oxygen plant, to be officially opened in Gweru on June 15, will be the first of its type to be commissioned in the world, and certainly in Africa, although others of the type are planned by several other African countries.

The company's general engineering services manager, Mr Don Shaw, told *The Gazette* that while larger, more sophisticated oxygen plants are in existence elsewhere in the world, the Gweru plant is a new standard package designed by a subsidiary of BOC in Britain: "There is one currently under construction in Kenya", he said, "there will be one in Zambia later this year, and two are planned for Nigeria. Older types exist in the rest of Africa".

BASIC FUNCTION

The main process unit of the plant is a large air separation unit, and its basic function is the production of oxygen, liquid nitrogen and argon. Mr Shaw said that the new plant has a maximum productive capacity of 17 tonnes of oxygen a day, 15,5 tonnes of nitrogen a day, and half a tonne of argon a day, although it is not possible to maximise production of all three at the same time.

Work on the site started in June last year, and consisted of a small

building extension, foundations for the air separation unit, the argon purification unit, three large storage tanks, a cooling water tower, warm-argon equipment, and a new electrical sub-station. This was finished in September, 1983 and work on new access road by January.

The major items of equipment are: a Waterex SCB 200 cooling tower, a three-stage Joy TA 60 centrifugal air compressor, a Cryostar TC 120/32 expansion turbine, a pre-purification unit, the air separation unit, an argon purification unit, two liquid oxygen storage vessels, a liquid nitrogen storage vessel, a crude argon storage tank, another for pure argon, and warm-argon equipment.

DIMENSIONS

The air separation unit's dimensions are 2,7 metres by 3 metres by 23,8 metres, and it weighs 26 tonnes. Commonly referred to as

the "cold box", this unit consists of a lower column, sub-cooler, main exchanger, air liquefier, condenser re-boiler, upper column, argon column and argon condenser. The positioning of the "cold box" was the most difficult operation, necessitating the bringing of a 180-tonne crane in from South Africa.

COMPLICATED

A fairly complicated process occurs in the "cold box", similar to the fractional distillation process resulting from the different boiling points of the main constituents, oxygen and nitrogen.

According to Mr Shaw, the local market will consume all the oxygen and nitrogen produced, but there is potential for the export of argon "because we can produce more than is required locally. Apart from South Africa, there is no other country in Africa which can do this".

WANKIE COLLIERY COMPANY FACES PROBLEMS AFTER GOOD YEAR

Harare THE FINANCIAL GAZETTE in English 11 May 84 p 1

[Text]

WANKIE Colliery exported coal worth \$16 million during the year ended February 29, and improved half-year profits of \$664 000 to a year-end profit of \$3 840 000.

In his annual report, the chairman of the company, Mr D D Kadenhe, said that the significant improvement was due principally to the price adjustments of October, 1983, the increase in exports and successful cost controls.

DIFFICULTIES

The company is, however, experiencing difficulties in adjusting to local demand because of reductions in anticipated sales to the thermal power station at Hwange.

Mr Kadenhe said the original agreement called for a delivery of 1,2m tonnes of coal in 1983/84 and the colliery had invested \$119m in the open-cast project to meet this demand. The Electricity Supply Commission (ESC) had, however, later revised their demand to 470 000 tonnes and actually took delivery of 410 000 tonnes.

At the year-end the colliery had a stockpile of over 900 000 tonnes

of unsold power station coal. "Large stockpiles are costly to finance and require special attention to prevent losses and spontaneous combustion", Mr Kadenhe said.

Philosophically, he continued, "We are advised that because of operation difficulties at the Hwange power station, we cannot expect coal consumption to be at the level we had planned for the coming year."

Hwange power station has not been producing electricity for nine weeks and the ESC has not forecast when generation will commence. This could prove embarrassing for the colliery company for it cannot stop production at the open-cast mine. Its stock-pile will grow and it is not clear whether the ESC will pay for coal mined but not used at the power station. "We do not doubt that government will see to it that we are not unduly prejudiced by events beyond our control," Mr Kadenhe commented.

HEAVY REPAYMENTS

The company faces heavy loan and interest repayments during the coming year. These are forecast at \$21m, a figure which has increased

due to the devaluation of the Zimbabwe dollar. However, the company still has considerable financial strength.

Share capital and reserves before any distribution of dividends, total \$65,7m. Long-term loans after transferring to current liabilities the loan repayments due in 1984/85 amount to \$82m. The resulting long-term debt to equity ratio, which is 56:44, is an improvement on the 60:40 ratio envisaged for the year-end when the expansion project was appraised three years ago.

Current assets exceed current liabilities by \$13m, all of which is held in short-term deposits or with banks at call.

The distributable profits of 9 cents per share are reduced to approximately 7 cents when the obligatory transfer of 25% of profit to capital reserve is made. This would have justified the payment of a dividend but due to the decision to suspend dividend remittances outside Zimbabwe and the acquisition of blocked external securities, the company will not declare a dividend "at the present time".

CSO: 3400/1009

BULAWAYO FIRM TO SUPPLY BOTSWANA RAILWAYS' RAIL FASTENERS

Harare THE FINANCIAL GAZETTE in English 11 May 84 p 1

[Text]

RUBBER and Allied Products (Pvt) Ltd of Bulawayo has just signed a \$1,25 million contract to supply Fist-BTR rail fasteners to the Botswana Railways.

The two-year contract is expected to generate considerable amounts of foreign exchange for Zimbabwe. 150 000 rail fastener sets, comprising 900 000 separate components, are required for the first phase of Botswana's railway development project.

The deal was negotiated by Rubber and Allied's managing director, Mr Al Castle who says that the project could keep his company thriving for the next 10 years. "Botswana plans to renew the existing mainline track, and to follow this with the laying of two major branch lines, one connecting

the southern part of Botswana with the main line near Petersburg, and one running west, straight across the desert to Walvis Bay on the coast of Namibia".

"Through the provision of a top-class service, prompt delivery and on-the-spot technical assistance, we mean to make sure that that we are awarded those future contracts too", says Mr Castle.

Part of the service will involve the setting up in Botswana of an affiliated company, to be called BTR Rail Fasteners Botswana (Pty) Limited. This company will eventually provide on-site manufacture of two out of the three components that make up the fist fastener, ie the pin and the clip.

Some of the machinery required

by the new factory will be designed and manufactured in Bulawayo for sale to Botswana.

Rubber and Allied will have an equity holding in the new company, thus ensuring that regular dividends come back to Zimbabwe. In addition, the Botswana company will be using steel from Zisco.

The third component, the HDP plastic moulded insulating pad, will be supplied from Rubber and Allied in Bulawayo, for the full term of the contract.

The quality of the BTR fist fastener was the determining factor in Botswana's decision, according to the company. Operating records show a product-defect rate of only 14 sets per million sets installed.

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BRIEFS

ANTIBANDIT POLICE CAMP--A TEMPORARY police station has been established at Mulelezi shopping centre, near Mwenezi, to make it easier for residents to report the presence of dissidents. This was announced by the Governor of Masvingo Province, Cde Dzikamayi Mavhaire, who toured Mulelezi, Maranda and Mushumbe areas in the Mwenezi district recently. The tour came in the wake of reports from Mwenezi that people there were not willing to report the presence of dissidents. It was at Mulelezi School that five teachers were severely mutilated by dissidents in February. During his tour the governor, who was accompanied by senior army, police and ZANU (PF) officials, addressed several rallies at which he urged people to co-operate with the security forces. "There was good response from the people and we are convinced that now they will be able to report any presence of dissidents," Cde Mavhaire said after the tour. [Text] [Harare THE HERALD in English 11 May 84 p 9]

DROUGHT KILLS CATTLE--MASVINGO. THE drought has killed about 40 000 cattle in Masvingo province since January, with Chibi district recording the highest figure of 14 784. The provincial animal health inspector for Masvingo, Mr Chris Diedericks, said yesterday that fewer cattle were dying now because of the widespread rain at the end of March which had improved grazing. But, he added, cattle deaths between October 1983 and April this year had totalled a "stunning" figure of 74 453, of which 39 896 had died between January and April this year. In comparison, about 51 000 cattle died in the province between October 1982 and October last year. [Text] [Harare THE HERALD in English 9 May 84 p 5]

CZECHS GIVE PARTY SCHOLARSHIPS--CZECHOSLOVAKIA has given Zanu (PF) 10 scholarships this year following an inter-party agreement signed by the party's president, Cde Mugabe, during his visit to that country after independence. The Czech Ambassador to Zimbabwe, Cde Josef Janecek, told a news conference in Harare that his government had granted Zimbabwe a total of 15 scholarships this year because of agreements between both countries and parties. All the recipients will be given technical training. Technical and scientific experts would soon be coming to Zimbabwe to help the departments of aviation, veterinary services and medicine. "The first group should be arriving sometime between June and July and they will work here for two to three years," he said. Cde Janecek said his country was interested in developing trade links to import tobacco and nickel from Zimbabwe. "This country could also benefit from our exports of bicycle spare parts, knitting or textile machinery, synthetic

rubber and bearings. These items are being exhibited at the Trade Fair." Czechoslovakia's 39th national day would be celebrated in Bulawayo tomorrow, he added. [Text] [Harare THE HERALD in English 9 May 84 p 5]

NEW MILITIA TRAINING--HARARE--The Zimbabwe government would soon launch its "Chimbi-Chimbi" militia training for the protection of local leaders who were possible dissident targets, the Deputy Minister of Defence, Mr William Ndangana, said yesterday. Mr Ndangana said the Chimbi-Chimbi programme would be conducted in coordination with law-enforcing agencies. The number of people to be trained in the new programme would depend on how many would come forward and such criteria as each volunteer's character and support of the government. "Our target is the elimination of dissidents," Mr Ndangana said. Mr Ndangana said a number of women undergoing militia training had fallen pregnant but, "if they want to continue training after giving birth, we will consider their applications." He said some of these pregnancies involved men in the unit. The men responsible had been told they must look after the women during and after the pregnancy or face dismissal, Mr Ndangana said. [Text] [Johannesburg THE CITIZEN in English 23 May 84 p 19]

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