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20 MARCH 1987

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ANGOLA

MPLA, PORTUGUESE COMMUNIST PARTY HOLD TALKS

MB211457 Luanda Domestic Service in Portuguese 1200 GMT 21 Feb 87

[Text] Delegations of the MPLA-LABOR Party and the Portuguese Communist Party [PCP] met in Luanda this morning to exchange views on the operation of both parties. The Angolan party delegation was headed by Paulo Miguel Junior, member of the MPLA-LABOR Party Central Committee. The Portuguese delegation was headed by Carlos Costa, member of the political commission and the PCP Central Committee Secretariat. At the meeting, the two delegations discussed the international situation, especially the situation in southern Africa as a result of racist South Africa's aggressiveness.

Comrade Paulo Miguel Junior said that the current international situation has been characterized lately by increased aggressiveness from the most conservative imperialist circles against the peaceful peoples of the so-called Third World.

[Begin Junior recording] At this time when you, Comrade Carlos Costa, are paying yet another visit to our country, we are going to take the opportunity to analyze the current international situation which has lately been characterized by increased aggressiveness from the most conservative imperialist circles against the peaceful peoples of the so-called Third World and progressive forces in general. These circles have created new pockets of tension and have aggravated the traditional pockets of tension, which were generally created by imperialism itself, [words indistinct] conflicts of low or high intensity. As you, Comrade Costa, are aware, (?all this imperialist aggressiveness) falls within the framework of the strategic philosophy of [word indistinct] which seeks to recover some of the privileged positions which imperialism lost throughout the world, secure world hegemony, and keep the peoples under its control. Dear Comrade Costa, we are certain that we will pay special attention to analyzing the tense situation in southern Africa. Despite condemnation by the international community, one of the most odious regimes ever known to mankind lives on in southern Africa: the anachronistic Pretoria regime. [end recording]

In turn, Carlos Costa, member of the PCP and the MPLA-LABOR Party.

[Begin Costa recording] Our meeting and our visit here are in the context of our two parties' longstanding and very profound friendship, which was forged in the hard struggle against the common enemy. In the past, this enemy was the colonialist regime. Today, it is imperialism and its aggressiveness. I would also like to stress that the PCP leadership fully supports the MPLA-LABOR Party Central Committee, the MPLA-LABOR Party executive organs, and Comrade Jose Eduardo dos Santos, chairman of the MPLA-LABOR Party and president of the People's Republic of Angola. I would also like to request from you, Comrade Junior, that you convey greetings from our secretary general Comrade Alvaro Cunhal to the MPLA-LABOR Party Central Committee and Comrade President Jose Eduardo dos Santos.
[end recording]

The PCP delegation arrived in Luanda yesterday from the Democratic Republic of Sao Tome and Principe, in the framework of regular consultations between the two parties, which have cooperated in a positive and encouraging manner.

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CSO: 3400/142

ANGOLA

ANGOLAN PLANE STRAYS INTO NAMIBIAN AIRSPACE

MB231302 Johannesburg SAPA in English 1301 GMT 22 Feb 87

[Text] Windhoek, Feb 23, SAPA--An Angolan jet fighter strayed into SWA/Namibian air space in bad weather 11 days ago, the officer commanding Western Air Command, Brig Karel van Heerden, said in Windhoek today.

But no action was taken as the pilot soon changed direction.

It was the first time that an aircraft of the Angolan Air Force had entered the territory's air space.

Brig van Heerden said a squadron of probably four Angolan fighters had taken off from the main air base in Southern Angola at Lubango on February 12.

It was customary for Angolan fighters on patrol missions to fly in pairs at different levels.

The two high-flying aircraft providing top-cover were monitored on South Africa Air Force [SAAF] radar, but mountainous terrain made it difficult to spot the low-level ground attack pair which had probably been flying below even the detection of the Angolan radar network.

One of the low-flying aircraft, probably a Soviet built MIG-23 or Sukhoi SU-22 delta-winged fighter, strayed over the Cunene River into SWA/Namibian air space, but the aircraft abruptly changed direction and headed for home after the pilot had apparently realised his error.

The SAAF did not take action as it had sufficient reason to believe that the incident was not intended as an act of provocation, Brig van Heerden said.

The SWATF said at the beginning of the year that Angolan radar surveillance now stretched as far as the Etosha game reserve in SWA/Namibia which enabled Angolan air bases to notify Angolan pilots flying within range of the net if the SAAF should scramble its fighters for action.

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CSO: 3400/142

ANGOLA

JOURNALIST DESCRIBES SOJOURN WITH UNITA

Lisbon O JORNAL in Portuguese 3-9 Oct 86 pp 12-19

[Article by Antonio Duarte: "UNITA's Long March through the Jungles of Angola"]

[Text] No one can say for certain where Jamba is. It is where UNITA has set up its "capital": headquarters for the war, but also the political and administrative center for "liberated areas." Concluding his report that first appeared last week, Antonio Duarte talks about life in Jamba and a week-long 700-km trip to reach the Cuito-Cuanavale front. A look from the inside of a fratricidal war. Not only Cubans and the Russians are on the other side. First and foremost, there are what Savimbi himself calls "MPLA patriots."

[Boxed material next eight paragraphs] Cristiano: Parents in Portugal, Wife in Jamba, A Son He Hasn't Seen

I went along a street in the city of Mavinga, past houses in ruins and public orange groves, to meet the commander of the local FALA garrison, Cristiano, 39, from Portugal. A person who is talked about.

Lt Col Cristiano looked like he had just stepped out of a Latin American adventure movie. He had charisma. He received his military instruction from Jonas Savimbi himself twelve years ago, when he enlisted in UNITA.

He made the "long march": "When I finally got there, I felt more committed to fighting against the Cubans waging an unjust war against us."

Lt Col Cristiano is the son of Portuguese parents. His father is Cristiano Lopes de Almeida, 79, who lives in Mangualde in Beira Alta.

His father married an Angolan woman in Moxico, and Cristiano had never been out of Angola. He never knew Portugal, where his mother, Maria Perpetua, 55, and two brothers, live.

Cristiano was born in Moxico. His father was a driver and owned trucks. "We lived comfortably. After independence, everything got more complicated because we belonged to UNITA. The family was divided. Until the country is liberated, it is impossible to think about a happily reunited family. There can only be happiness when there is peace."

But Cristiano does have some time to think about family happiness. He is married. His wife lives in Jamba.

He has just received word that he is a father: "I want to have a chance to see my son as soon as possible. I would like for him to grow up in peace, for him to be able to make a contribution to his country.... This is why we are trying to free Angola from the Cuban and Soviet yoke."

The jungle was suffocating that night. The flames from the camp fires accented the tension in the faces of the UNITA soldiers. Almost all of them were motionless.

We had stopped at a clearing and the vehicles were parked under the dark trees. A tired radio was playing music broadcast by a Botswana radio station: Drive, a melancholy song by the Cars.

Supper had been a low point, unlike other evenings when a supper stop was a happy occasion.

I got back into the Ural captured from the Soviets. Its cab was pockmarked with bullet holes. We started out again on the trip back from the Cuito-Cuanavale front. We were a few kilometers from Mavinga, a city taken and retaken so many times by the Angolan rebels.

Then Capt Jaime, sitting on the truck's huge spare tire and swaying like a pendulum, said, "I don't like this place."

Then he became pensive. A shadowy figure in the rear of the Ural. Stretched out on a lumpy foam-rubber mattress, through the haze of the dark dust from the road I heard him say, "There are skeletons everywhere here...."

The Last Battle for Mavinga

He began talking slowly. "We were in the jungle around Mavinga. There was a slaughter here.... We had to do it.... Antiaircraft guns against the enemy troops. You cannot imagine what it was like. I saw bodies blasted to pieces. Antiaircraft guns are supposed to be for planes! It had to be.... This happened in the last battle for Mavinga. We sneaked up on them and fired on them from the top of that hill (he pointed behind us in the darkness). It was almost a surprise attack. Nearly 1,000 dead, MPLA's and Cubans.... Angolans. So many Angolans died. I saw their bodies...."

There was a long pause. Then he continued his story without emotion as if he had suddenly remembered that he was a UNITA officer:

"The enemy was disorganized. There was tremendous confusion. It was already dark. I penetrated enemy territory with my column to rejoin my battalion and not a one of us was hit. A lot turned and ran, though. The enemy abandoned a lot of materiel along the road. This Ural (he tapped the spare tire with his fingers) was picked up here.... It was some fight! They were trying to re-take Mavinga."

"How many casualties did UNITA suffer?"

The reply came like a shot: "Over 400 dead."

A Cold Night

Geraldo Jaime, 35 years old, father of an 11-year-old girl named Lenny, is a captain in the UNITA forces and one of 65 survivors of Savimbi's 1976 "long march" into the interior of Angola. Before Angola's independence, Jaime had studied four years in London. He spoke English, French and Portuguese fluently.

Savimbi had assigned him to accompany three reporters on a trip into territory controlled by UNITA.

We had left Jamba on a Tuesday night after Savimbi's speech at the Sixth UNITA Congress.

With my knapsack on my back, I installed myself in the Soviet truck, whose motor was already running. They gave me a blanket and asked if I was comfortable.

Among boxes and crates two other reporters sat beside me: Olivier Baube, Johannesburg correspondent for LE POINT, a French magazine, and Dominique Aubert, a Keystone photographer working for TIME.

Capt Jaime had just returned to Jamba from the front with a US television crew (NBC) and a PARIS MATCH photographer. He had hardly any time to see his daughter in the "provisional capital."

But here he was, in a red beret, piling soldiers into the Ural. We left Jamba at 22:30 hours headed for Cuito-Cuanavale.

Introductions were quickly made. Then it was time to sleep if we could. The cold of the Southeastern night began to make itself felt and the truck's jolting made it even harder. The temperature was warm in the daytime, but quite cold at night.

I put on my coat, wrapped up in the blanket and stretched out among the luggage, foam mattresses and a worn-out Kalashnikov.

Lost

I remember midnight or an early morning hour. I no longer noticed how the truck lurched along the sandy roads and trails made by UNITA.

I heard voices and realized that there were problems, but the soldiers were talking in Umbundo. I went back to what passed for sleep. It was cold.

The motor was idling. The truck had stopped at yet another UNITA check point. And another. And another....

Thursday, 7 am. The truck stops again in the jungle. It is now fully light.

Now I can see the faces of the others in the Ural. They say, "Good morning," and smile. Capt Jaime has gotten out and is standing under a tree with a radio operator, preparing to send a message to Licua, UNITA's second largest city and base in rebel territory.

"We should be there by now, but we have only gotten this far," the captain told me in a tired voice. "We are lost. We did not see a marker. We lost over two hours."

Now I realize what the problem was in the middle of the night.

Wave from Farmers

"Mike, papa, Charlie....Repetez." Information for Licua. Orders to leave.

I am looking at one of the passengers in the truck who was riding in the cab. He was wearing a red T-shirt with UNITA on it in large white letters. "Together we shall overcome" was written across the back.

Sousa Chipeio was introduced to me: he was a lieutenant in FALA, sort of a public relations department for the rebel army. Good-humored, sarcastic.

"Did you sleep well?" he asked me.

"Not too bad, not too bad."

The terrain changed now, from the jungle to the Luengue River valley, where Licua is located. Farmers were working the marshy ground along the river banks. They waved.

We arrived in Licua at 9:30. There was a traffic signal at the "city's" main intersection, just like in Jamba. And a contingent of policemen. Civilians bustling about their daily work: farming, water transportation, carpentry, mechanic's work. A school. A hospital.

Licua is the main logistics center in UNITA territory. Arms and munitions are sent to the front from here.

Captured Weapons

At the entrance to the city, a large metal sign read "Logistics."

Downtown, the only building with masonry walls was the Logistics Administration.

A seemingly rather young Maj Ernesto welcomed us and took us right away to a map showing the logistics center. Arrows indicated supply routes.

Requisitions for weapons and munitions are sent directly to UNITA's general staff in Jamba, which forwards them to Licua.

According to Maj Ernesto, 75 percent of the weapons supplied from Licua come from a permanent inventory of Soviet materiel captured from government troops.

He took us to see the armory of captured weapons. There were no new arms at all. UNITA military officials are quite close-mouthed about non-captured weapons.

When I tried to ask about the 25 percent of weapons that are not Soviet, Maj Ernesto replied evasively, "Here we mostly have just captured weapons."

And there they were in the armory, cleaned and reconditioned in UNITA's weapons facilities. Several models of machine guns, the AK-47 Kalashnikov, several kinds of mortars and antiaircraft guns.

Everything is Destroyed, Everything is Converted

Recondition, re-work, convert and re-build. Paradox: Licua is a construction site for building or converting everything into arms for destruction.

In the machine shops, welding shops and electrical shops (Licua has electric power generators), many UNITA military men who fled the cities on the coast and the Huambo Plateau have managed to ply their former trades again here, working without pay, as they do throughout UNITA-controlled territory (see section on Jamba).

Jaime, 42, a radiator welder, is from Huambo, where he had his own shop. UNITA transferred him to a place where he was needed: Licua. His wife is in Jamba, about 250 km away. He hasn't seen her for 2 years.

"In war time," he said smiling, "we all have to sacrifice for our country. I will live my own life when the war is over. You'll see."

Goncalves Sandame, 11, came from Huambo with his parents. He is re-working a Ural truck.

Soviet Trucks with South African Motors

The Urals are quite a story. I have heard it from a number of people.

According to UNITA, Moscow sells them to Luanda, equipped with a motor that "overheats and burns 100 liters every 100 km...."

So UNITA changes out the gasoline motor for a Diesel motor by modifying the truck and fuel supply system. Motors made in South Africa. And there you have it: a more efficient all-terrain Ural.

Nearly all motor and automotive parts are available from Licua warehouses or made there (screws of all kinds, metal parts, batteries).

Civilian professionals aid UNITA's army by working in shifts day and night.

Discipline. The secret of survival.

Discipline kept us in Licua till noon of the next day. The captain had gotten a radio message that we were to stay in Licua "until further orders."

In contrast to what one would think of an army which Eduardo dos Santos, Angolan president, was still describing until quite recently as "armed bandits," military discipline and a Maoist posture are typical of the FALA army.

We slept in Licua. There was an electric light in my cabin, like in Jamba. But there was no running water.

Radio Galo Negro

Only in the early morning hours did Party orders come. Capt Jaime and Lt Sousa went to bed at 6 am after listening to the radio interminably.

It was 12:30 when we left for the North. Sousa was tired. He fell asleep in the Ural's cab.

Another truck carrying soldiers escorted us from Licua on. A patrol truck.

Check points again. Next stop: Luangundo. It was already dark. We walked into the n'jango, a round receiving room, just as the 8 o'clock news in Portuguese began on Radio South Africa.

Listening to the news on the short-wave radio is almost an obsession for UNITA men. Especially Radio Galo Negro, the rebel station, which broadcasts from Jamba daily at set times.

War Close

We first felt close to the war in Luangundo. It was in fact right at hand. Typical rural African architecture was blended with military architecture appropriate to a war zone: the huts were spaced farther apart and dug into the sandy soil; small windows; field kitchens; silent guards everywhere.

At 21:30 hours, a hot meal for supper in the n'jango by the light of a fire. Pasta with canned meat and Tassenberg, a South African red wine. We didn't have lunch.

Since Paulo, the soldier-cook, brought no coffee, milk or tea -- a luxury in UNITA territory -- Sousa opened a book and held it in the light of an oil lamp made from a can of tinned meat.

It was "Eagle in the Sky" in English, a well-worn book by Wilbur Smith. A story about an Israeli Mirage pilot on an African mission who has a dramatic love affair in the midst of war.

The Day of the Retreat

Sousa, born 29 years ago in Benguela, was married. His wife worked in social welfare in Jamba.

During the transition government set up after 25 April 1974, having already enlisted in JURA, UNITA's youth wing, Sousa worked as a disc jockey for Radio Clube de Benguela ("I played good music") for a year. One day the sound of gunfire from the Kalashnikovs was louder.

"It was 8 February 1976, the day of UNITA's great strategic fall-back (retreat to southern Angola). That was the day I left for the Army. My family had to flee. My grandmother died in the war. She died from grief and exhaustion...."

When he was still young, Sousa began to sympathize with UNITA's cause. He explained without hesitation:

"First, because it was fighting for Angolan independence. The MPLA was fighting, too, but its leaders were abroad.... Second, for ideology: socialism -- liberation of the most exploited class and a chance to live for everyone; negritude -- liberation and social and cultural expression for the oppressed black majority (he paused to explain that negritude did not mean that Angola was only for blacks). Third, for the political system: democracy -- people having the right to choose their leaders freely through the vote and to hold meetings freely."

Now Lt Sousa Chipeio is an administrative political staff member wearing a red UNITA T-shirt.

Supper was leisurely in Luangundo. The n'jango, with the fire in the middle, invited one to relax and talk. But we had to leave that night for Mavinga, on UNITA's southern front, before continuing on to Cuito-Cuanavale to the northwest. We all hurried.

The first showers of the oncoming rainy season fell on the way to Mavinga. A season very suited to UNITA's military strategy and the best for the Chinese-style guerrilla warfare chosen by UNITA.

Arrival in Mavinga at 5:30 in the morning. It was already light. Even so, since we had only had a few hours of rest, we reporters would rather have slept. We slept in an actual foxhole, a disguised dug-out hut that had been under fire for two years.

A quick lunch and departure for Cuito-Cuanavale at 15:00 hours. An hour later, we had stopped at a bend in the Mavinga River after crossing the peaceful valley that at times had divided government troops from UNITA rebel lines. This was the Mavinga Game Preserve.

Today this valley is under cultivation and is an important source of food for the troops and the local people.

Ghost Town

On the other side is Mavinga, or what is left of Mavinga: Western-style homes in ruins, with spacious orchards of fruit trees, what was once a CTT station, its roof missing, the word "school" painted on a section of wall that had not collapsed.

The only traffic on the wide, straight streets of Mavinga, lined with pleasant orange trees, was UNITA military traffic from the garrison defending the "ghost town."

A city that will not be habitable for many, many years. Capt Jaime told me, "We can't leave the city along this road without a mine specialist. Everything around here is mined."

Along the river, Capt Jaime reminded me again and advised me not to stray off the main trails by the river.

"When the MPLA and the Cubans fled, they all abandoned the vehicles and most of the materiel and ran for the jungle. Since they had to spend the night in the jungle close to the river and the road, they mined the area around their camps to defend themselves from any attacks by UNITA. So they could sleep relaxed," he added with sarcasm.

Breakdown

The captain changed his sarcastic mood when the Soviet truck broke down in the middle of the golden savannah with a transmission problem. The other truck was too far ahead. Only later did they miss the Ural.

The radio operator contacted Mavinga for help. We had been on the road for two and a half hours. It was getting dark.

The driver managed to get the truck to the edge of the jungle and hide it from any searching eyes by parking it under a dense tree.

This was Rule No. 1: hide materiel. To keep animals away and ward off the cold, two or three fires had to be made with dry wood gathered on the spot.

Then a wait with nothing to eat or drink. Everything was in the lead truck. It would only turn around to come back two hours later, bringing bread, jam, coffee and canned milk.

Now we had to wait for another truck to replace the Ural. Everyone used the time to rest. They were all asleep, except the captain and Lucas, a private, who took turns sitting on the hood of the Ural as the lookout.

Cubans

"Captain, you have only mentioned your daughter. Are you not married?"

This is the captain's story: "My wife was killed by the Cubans.... It's sad. I barely have a family. I was living in Uige. I had already served with UNITA in the Angolan interior. A cousin of mine in the MPLA betrayed us.... He went and told that my family was pro-UNITA and that I was fighting for them. I was not there when he betrayed us. They killed my parents, too, and a brother. Then they burned our house down. I'll never forget 27 February 1977 in Uige...."

Geraldo Jaime has two other brothers and his daughter, Lenny. He was born in Lobito and admits that he would like to see the ocean and palm trees again. He dreams of these memories: "When all of this is over, I will go back to Lobito. On the coast is where I feel at home."

I hear a motor in the distance. I alert the captain. It must be the truck. A soldier asks me for the lantern so he can run to the road with it to show them where we are.

A brand new, white right-hand drive Mercedes arrives.

Annoyed, the captain said, "They sent us a white truck? How can we go to the front in this? It will be seen immediately."

He decides to make the switch anyway. We'll cross that bridge when we come to it.

Later, 5:15 in the morning. The captain awoke us: "We have to get out. This truck can't go any further without being seen."

Devastated Countryside

Daybreak. We were in yet another military village of dugout huts. The n'jango looked like a classroom in the round, with large chairs made of small tree limbs for the "teachers" and a blackboard, clearly meant to present the "lesson."

I was not far from wrong. The captain explained: "This is where the commanders explain offensive tactics."

This is why the village was called a "tactical command post." These posts are usually set up about 20 km from the front or a target site. When the front advances or the target is hit, the command post is "deactivated" for use as a resting place or an overnight stopover for soldiers in transit.

Breakfast at 9 o'clock in the n'jango, where the reporters slept. Bread and jam, tea, coffee and canned milk.

I went out to walk around a little. A soldier had found the wreckage of the warheads of two MiG missiles, still bearing Russian markings, and picked them up.

From here to the front, the land showed its wounds: remains of buried bombs, the devastation of battle, burned-out trucks, decapitated trees....

Farther north, I saw the vast savannahs, brilliant yellow oceans of grass home to pacacas, gazelles, and antelopes that darted away at the first sound of a motor.

At sundown Saturday, a little antelope on the road froze when it saw us coming.

Oscar, the driver, stopped the truck, opened the door, aimed his Kalashnikov at the motionless antelope and asked the captain, "Shall I kill it?"

We waited in suspense for the captain's answer.

Geraldo Jaime said once he went into a house where there were Cuban soldiers. He killed five, emptying his "beautiful and beloved" Kalashnikov.

The captain looked at us with an enigmatic smile, then yelled to the driver with the antelope in his sights, "Oscar! Let it go!"

It was 22:30 hours when we finally arrived at an advance outpost on the Cuito-Cuanavale front.

Lt Col Gato welcomed us, leading us into yet another n'jango with a fire, but this one was dug deeper and had no windows.

"It's a quiet night," he said, speaking to the reporters. He said that we were 16 km from the lines and that "the enemy had not attacked" for five days.

Gato seemed happy. He explained, "We feel good here at the front. We feel good fighting for our cause. This is where the real men are."

The next day, Sunday, we were up by 7 o'clock, waiting for Brig Gen Ben, UNITA's commander at the Cuito-Cuanavale front, who was to take us to the front (see "A War at the 'Ends of the Earth'" in the 26 September issue of O JOURNAL).

Eleven days went by and we covered nearly 2,000 km of dusty dirt roads and trails in the Angolan interior.

Now we are back within a few hours of Jamba.

Capt. Jaime, who had just gone to sleep, wrapped up in his blanket, agitated by events on the trip, groaned and awoke startled.

He had had a nightmare: "I dreamed that five Cubans were going to pull me apart, piece by piece.... How strange."

Jamba: A State Within a State

Every time I asked them to show me the exact location of Jamba on the map of Angola, I got different information, always evasive answers: "It's here.... It's there.... The provisional capital of Savimbi's "country" is not shown even on UNITA maps. But there is another Jamba, one that can be located northwest of the rebel capital in Canguela territory, between Capelongo and Salazar Dam.

Allegedly for security reasons, UNITA's maps do not show the exact location of the Jamba of the black rooster, the emblem on the rebel flag. A blank space is left to UNITA's collective imagination: "It's here.... It's there....

But it does exist. It was built from nothing. Before, there were only elephants, lions, wolves, and a hunter's blind or two. It was a place at the "ends of the earth," as the Portuguese called the vast, uninviting hunting reserve in the Angolan southeast.

From 16,000 Inhabitants to 7,000

Jamba, a word meaning "powerful force" (i.e., elephant), was populated by UNITA soldiers and their families, mainly from the southern coast and the Huambo Pla-

teau. It grew steadily, but the party recommended that the population be reduced to distribute more people in the countryside and UNITA's military infrastructure.

At UNITA's recent week-long Sixth Congress, which was held in Jamba, Jonas Savimbi severely criticized the movement's leaders for failing to "govern the free territory" and distribute food to the people and soldiers.

He urged UNITA's military men to undertake "an effort to achieve self-sufficiency in food" and congratulated them on reducing Jamba's population from 16,000 inhabitants to 7,000.

Jamba is located in the extreme southeastern part of Angola, two hours by jeep from Luiana on the Kuando River, the border with Zambia.

Clandestine Flights

Luiana is the normal landing site for aircraft that enter Angola clandestinely, carrying war materiel, food and civilian supplies for UNITA and visitors, from reporters to US senators.

I entered Angola by twin-engine plane, crossing the Namibian border (Caprivi Strip). I had already flown 11 hours by jet and twin-engine plane through several African countries.

At UNITA's "border post" in Luiana, where I had to show my passport and fill out a "police" form, they searched my baggage and clothes and asked me to take a picture of a blank sheet of paper with my camera.

Then they offered me South African cold drinks and Angolan fried cakes.

I arrived in Jamba in the afternoon. It is a city of huts in the traditional African style, with packed-dirt streets and a few sandy stretches in less solid places, and electricity and running water in a good number of the "neighborhoods."

At the main square in Jamba, where roads from various places in UNITA territory meet, I saw a traffic light on a pole with the letter T for traffic at the top, waiting for cars to come by.

This traffic signal in Jamba was not a signal for much traffic, but it was a symbol of organization.

The rebel capital is a paradigm of the society, its war-time economy and UNITA's military goals.

Signs everywhere urged people to two campaigns: one against the Soviets and the Cubans and the other against corruption and lack of organization.

A Society Without Money

No currency circulates in rebel-controlled territory, but there is a barter system: the people work for the party and for their own self-sufficiency and the party meets their remaining needs.

Example: A farmer barterers sweet potatoes for salt or corn for clothes, and enjoys the freedom to travel, attend school, be treated in hospitals and use means of transportation provided by UNITA.

Three commodities are basic to Jamba's survival: salt, sugar and lime. Salt preserves food; sugar makes it palatable; and lime disinfects.

Every day quicklime is used at the countless pits used as latrines, which are shielded by willows and covered by thatched roofs. Latrines with toilet paper, clean and well maintained, serving small groups of residences.

Communism

One neighborhood in Jamba, designed like a tribal society, usually consists of several huts arranged in a rectangular pattern. The n'jango, which I have mentioned often in my log, is a common meeting room located in the center.

The training battalion is lodged in a house with electricity, running water, an indoor bathroom and a water heater. There are no doors: just a brightly colored curtain flapping in the breeze. "There are no burglars in Jamba," they told me.

Paradox: in Portugal UNITA is supported by conservative groups on the right which are far removed, politically and ideologically, from the movement's practices....

Even if only temporarily, as Jonas Savimbi claims, UNITA's war-time society is based, to a large extent, on the organization of Chinese communes à la Mao Tse Tung, i.e., Communism.

Everything is so organized, so planned, so programmed, that in some aspects of this society I see indications of the bureaucracy that afflicts Marxist African countries.

The paradox seems even sharper when Republican senators from the US make the obligatory visit to Jamba.

Murals of Reagan

A large wall picture, hand-painted in color, shows Savimbi with President Reagan in the Oval Room of the White House. Another picture shows Savimbi shaking hands with Caspar Weinberger over the caption, "President Savimbi Greeting US Secretary of Defense Caspar Weinberger During the UNITA Delegation's Visit to the UN in 1986."

At first glance, this adulation of Americans seems ingenuous and provincial, but then one realizes that Savimbi staked everything on President Reagan's official support of UNITA's cause. And he won. He was welcomed to the White House with honors befitting a head of state, he got military support pushed through by the Republican Party, and he escalated the Angolan conflict to a struggle between the Soviets and the Americans on the international stage.

UNITA military strategists believe that a land conflict between the superpowers will result in a mutual standoff which might be the first step to peace talks.

Militarism

The war is not seen in Jamba or the surrounding area. If it were not for reveille at 5 am, military training to the roll of drums, and military men everywhere, Jamba would be just another large village in a heavily militarized African country.

Of course, militarization of UNITA is to be expected. The country is at war. But something more can be seen: a dominating military class.

To me, UNITA officials seem to be well trained, both militarily and culturally.

The officers assigned to assist and "protect" reporters in Jamba were undeniably capable professionally: Maj Quile, Capt Dias, Capt Lucas....

All spoke good Portuguese, English and French and did not hesitate to explain things.... With the exception, of course, of the taboo subject of South Africa. And now the Stingers.

Schools, a Hospital, Transportation

Jamba has open-air schools, passenger vans, a soccer field (there is always a big game on Sunday), uniform shops (soldiers are not seen in torn or worn-out uniforms) and a war materiel depot where I saw two Soviet tanks in good working condition. They were captured in the battle for Mavinga.

The main civilian building in Jamba is the hospital, which receives support from Medecins sans Frontieres, which has sent medical equipment, religious medical missions, and the Red Cross, which offered a radioscope.

The hospital sees 40-50 patients a day. Its main departments are pediatrics (malaria and intestinal infections, the most common illnesses), obstetrics, traumatology and an operating room (without ether or oxygen bottles).

Dr Afonso Raimundo, a graduate from the Lisbon School of Medicine (he worked at the Santa Maria Hospital until 1983), who studied surgery in London, is the secretary of health for the UNITA "government."

Data and Video

Jamba even has communications and data facilities, a photographic and video studio, and a short-wave radio station (Radio Galo Negro), which broadcasts twice a day (the broadcasting tower is powerful enough to be picked up at times in Portugal).

Information is not going well for Savimbi. It was another sector that did not escape the UNITA leader's criticism at the Sixth Congress.

"We are not going to put out propaganda," said Savimbi. "We are going to provide information. The Department of Information and Propaganda will drop the propaganda."

There is food in abundance for everyone. But the diet is not very varied: game meat, stews, dishes made with meal.

There were also young UNITA officers in my neighborhood who were back "on holiday" from their studies in Portugal. They were preparing their papers for the Congress.

Drum Rolls

Jamba retires for the night at about 23:00 hours, after the evening drum rolls. The streets and neighborhoods are lit up till sunrise. The MPLA could not help but know Jamba's exact location, could not help but see it....

I asked Florencia, one of the few women in UNITA's political and military hierarchy, who had made the Long March and was Savimbi's publicity advisor: "I don't understand why government forces don't try to attack a target as easy and highly visible as Jamba is...."

Florencia responded drily: "Impossible. They would never get out of here alive."

Daily Life of a UNITA Soldier

On the front, the soldiers arise at 4:00 am and retire at 21:00 hours. It is still dark at 4:30, they are still in the dugouts after a quick breakfast. Lunch at 11. Supper at 18:00 -- under normal watch conditions. When the shelling begins, no one eats. During the day, they are assigned to patrols: artillery patrols, security patrols, water patrols). At night, there are patrols only if there is moonlight.

A UNITA soldier. Always alert. Thinking only about fighting... Russians and Cubans. We shall print parts of a revealing interview with a reporter from O JORNAL at the Cuito-Cuanavale front.

Miguel Chicamo Noe, 23, from Huambo. Bright and energetic, he doesn't hesitate to repeat what he has been taught. An example of how UNITA guerrillas are trained and "educated":

"Have you been wounded?"

"Yes, I have been wounded several times. The time that hurt the most was when I was shot" (points out a scar on his shoulder).

"What were your thoughts after you were wounded?"

"I didn't think about another thing but becoming even more committed to fighting the Russians and Cubans that have stolen our property."

"But aren't you also fighting your own fellow countrymen of the MPLA on the other side? What do you think about that?"

"The issue of fighting the MPLA wouldn't have been such a big deal. But from the moment the Cubans came into our country, the nature of the fight changed

altogether. If it weren't for Cubans here in our country, we would have found another way to resolve our conflict. The Russians and the Cubans are behind this war."

"How long have you been fighting for UNITA?"

"Since 1978. That was when the Cubans forced us out of our homes. I was really naïve when I enlisted in UNITA, but not so naïve that I didn't know what the Cubans were doing here. They didn't come to free the Angolan people: they came to fight us."

"Don't you think a good deal of this hatred for the Russians and the Cubans is racist to some extent?"

"No. They are racist toward us. And we hate them."

"What did you think of the Russians and the Cubans before the war?"

"Before the war I had never heard of Russians or Cubans. I never knew they existed. We found out about them later by reading books, but we didn't know what they were like. Before they came here, I had no idea what a Russian even looked like."

"What do you think about Russians, i.e., Soviets, now?"

"After what they have done to the Angolan people, I feel only rancor for them. I want them to leave us in peace."

"Have you ever met a Cuban face to face?"

"Yes."

"What did you think in general?"

"I thought after I pulled the trigger. Once I stumbled across him, there was nothing else to do but kill him."

"Do you feel the same way about an MPLA soldier?"

"Well, as far as an MPLA soldier is concerned, once he is taken prisoner, that's a different matter. If he was captured instead of being killed, then he must not be mistreated. Even Russians and Cubans, if they are captured and not killed, must be treated according to regulations and taken to our capital, Jamba, where higher authorities take over."

"What are your thoughts when you are in a foxhole, quietly waiting for something to happen?"

"When I am in the foxhole, all I think about is how to get the Russians and Cubans out of our country, since they are the ones forcing us to live in the jungle."

"While you are in the trenches, don't you read or listen to the radio or cassettes?"

"While we are in the trenches we read our pamphlets."

"What pamphlets?"

"UNITA pamphlets."

"Don't you read anything else?"

"Well, some, but it has to be related to the struggle we are waging."

"What kind of books?"

"Different ones."

"War books?"

"Exactly."

"Have you read any?"

"Some...."

"Which ones?"

"Well, I don't remember the title. It was a book about what a people can do when they are under the power of another country."

"Where did the story in that book take place?"

"I don't remember.... The interesting part was the point of it."

"You certainly speak Portuguese well. What do you think about Portugal?"

"Well, we don't think about Portugal very much. We speak Portuguese because it was the Portuguese who colonized Angola. All our attention is focused on getting the Russians and Cubans out. Then we will think about other things."

"You never take off your gun. What do their guns mean to UNITA soldiers?"

"A gun is a tool. It is the only way we have of resolving our conflict. If it weren't for guns, UNITA wouldn't exist today."

"Do you like your gun?"

"I like my gun very much!"

"Have you ever taken it off?"

"I have never taken it off and I never will. Until the Cubans leave our country, I will never be able to take it off."

"What guns do you prefer?"

"I like the AK-47, the RPG-9, these machine guns (he gestures at his Kalashnikov), and 60-mm mortars, which I also know how to use."

"Have you written your family? Have you gotten any word from your parents?"

"Well, since we were first separated, I only know that they are in Huambo, but we haven't heard anything and we haven't written."

"You aren't married?"

"No, I am single."

"Will you get married some day?"

"Well, at the moment I don't have any intentions of getting married, but I think when the Angolan problem is resolved, then we can think about details like that."

"Things happen to everyone: falling in love, having a relationship.... Didn't this ever happen to you?"

"That may happen, but there is one overriding factor that has to come before all my feelings. I can never think about feelings of love so long as anyone is preventing peace in our country."

"How much longer do you think the war might go on?"

"Well, I don't know how long. We cannot say."

"What did you think about war before the Angolan conflict broke out?"

"Well, before the war, I focused all my attention on studying. Purely and simply, I didn't think about anything but my studies."

"What does President Eduardo dos Santos mean to you?"

"What does he mean to me? Well, I don't think about Jose Eduardo dos Santos at all. But at the end of the road we are now travelling, peace may be declared with him."

"Have you been to Jamba?"

"Yes, I have. It's the provisional capital of our country. Defending it is our first duty, so that the enemy's attempts to take Mavinga and advance toward Jamba will be thwarted."

"Have you ever been abroad?"

"Never."

"Even though you are not familiar with any other country, would you like to live anywhere abroad?"

"Well, at the moment, we don't have any such ambition, because we have the all-important mission of liberating our country."

"Don't you sometimes get tired of war?"

"Not at all. I never get tired of it and I never will. I am always ready to fight."

"What do you dream about? Everybody has dreams...."

"Everything I dream about concerns the life I have led. I dream about what I have seen and what I have thought."

"What has been your most beautiful dream?"

"I have never had a beautiful dream."

"You only have nightmares? Really?"

"No.... But since I have never been happy, I have never had pleasant dreams. With the foreign presence here in Angola, it is almost as if the Angolan people's happiness has been displaced. Dreams depend on your experiences."

"Can you describe one of your dreams to me?"

"Sure. A dream I had right here was that FAPLA was mounting an offensive to re-take Mavinga and attack Jamba. In the dream, our forces amassed, met the column and wiped it out right here around Cuito...."

"This actually happened."

"It came true after my dream."

8844

CSO: 3442/36

KUP COMMENTS ON CHEVRON PARTIAL WITHDRAWAL

MB280729 (Clandestine) KUP in English to Southern and Central Africa 0600 GMT
28 Feb 87

[Text] Free Land of Angola, 28 Feb (KUP)--The announced partial withdrawal by Chevron's Cabinda Gulf subsidiary from Angola, could well signal the beginning of more severe strains to the regime's already ailing economy.

Chevron has announced that it is to withdraw 10 per cent of its interests from Cabinda Gulf, which it jointly runs with the Luanda regime. Texaco, another American oil company operating in Angola, has also indicated its intention to withdraw its interests from the country. The move comes after the United States Government's advice to American companies operating in Angola, that their presence was perpetuating Soviet and Cuban occupation of Angola and therefore ran contrary to U.S. official policy.

There is no doubt that the repercussions of Chevron's departure will soon be heavily felt by the MPLA regime. Oil accounts for 90 per cent of Angola's foreign exchange earnings and helps to pay for the maintenance of Cuban troops in the country and the purchase of Soviet armaments. The move is most likely to raise the cost of maintaining the Cuban troops and other East Bloc forces in Angola.

Already faced with low oil prices on the world market, the MPLA regime has no other alternative means of diversification for the economy. Both diamond mining and coffee production (the country's other potential major foreign exchange earners) are now virtually unprofitable because of the intensification of the war and UNITA's firm implantation in the north of the country.

The regime is caught in a situation of its own making. The winds of change are strongly blowing in favour of a negotiated settlement in order to bring about an end to the country's 11-year-old conflict which has cost so much in terms of lives and property. It is a fact which the MPLA cannot afford to ignore.

/8309

CSO: 3400/142

ANGOLA

BRIEFS

DOS SANTOS APPOINTS PROVINCIAL OFFICIALS--By a decree issued in Luanda yesterday evening, Comrade Jose Eduardo dos Santos, the president of the republic, appointed Comrade Cristovao Domingos Francisco da Cunha to the post of provincial commissioner of Luanda. Comrade Cristovao Domingos Francisco da Cunha, who was previously Luanda's deputy provincial commissioner, was relieved of that post yesterday by another presidential decree. By other decrees, the Angolan head of state appointed Carlos Belo, deputy provincial commissioner of Benguela; Agostinho Pedro Ramos and Pedro Antonio Sebastiao, deputy provincial commissioners of Malanje; (Luwete Dienza), deputy provincial commissioner of Zaire; and Augusto Antonio Torcato, deputy provincial commissioner of Cuanza Sul. [Text] [Luanda Domestic Service in Portuguese 0500 GMT 24 Feb 87] /8309

RESOLUTION RATIFYING CEMA ACCORD SIGNED--In Luanda today, Comrade Jose Eduardo dos Santos, president of the republic, signed a resolution from the People's Assembly Standing Commission ratifying the agreement signed between Angola and CEMA in Moscow in October 1976. Under the term of the agreement, bilateral cooperation is to cover areas pointed out by the two sides in the fields of economy, agriculture, prospecting and exploitation of mineral resources, [words indistinct] foreign trade, and training of national cadres in fields of common interest. A joint cooperation commission made up of representatives from the People's Republic of Angola and CEMA has also been created by this agreement to organize cooperation. The signing of the agreement was inspired by the importance CEMA member-countries attach to intensifying trade and cooperation with developing countries to contribute toward the development and strengthening of the national economies of these countries. The agreement also shows the common determination of Angola and the CEMA member countries to achieve multifaceted cooperation in the economic, scientific, and technical fields based on the respect for state sovereignty, independence, and national interests, as well as noninterference in internal affairs and complete mutual rights and advantage. [Text] [Luanda Domestic Service in Portuguese 1200 GMT 1 Mar 87] /8309

AGREEMENTS SIGNED WITH SWEDEN--Talks between the State Secretariat for Cooperation and the Swedish International Development Agency ended this morning with the signing of a number of accords worth a total of 200 million Swedish kronor, about \$15 million. Carlos Fernandes, Angolan secretary of state for cooperation, spoke on the occasion and enumerated the projects which will benefit from the signing of these accords. [Begin Fernandes recording] We have signed a cooperation accord on development for 1987-88, a special accord on supplementary finance for the (Dembos) electrification project, an accord providing support for the fishing school [words indistinct] another one on emergency aid and one on the financing of services provided by guest workers and consultants in the People's Republic of Angola. [end recording] [Excerpt] [Luanda Domestic Service in Portuguese 1200 GMT 28 Feb 87] /8309

CSO: 3400/142

LISBON PAPER SAYS CUBAN ADVISERS BEING SENT

Lisbon SEMANARIO in Portuguese 20 Dec 86 p 64

[Text] Cuba is sending military advisors to Burkino Faso (Upper Volta). The soldiers from Havana use the airport on the Cape Verde island of Sal as their transit point, from which they embark with their compatriots who are being sent to Luanda.

Thomas Sankara, head of Burkina Faso's government, was in Cuba in November, having held a long meeting with the Cape Verdian President, Aristides Pereira, at the same site where secret meetings between Angolans and South Africans are usually held. Sankara, who came to power in a coup d'etat in August of last year, is the first of his country's leaders to attempt to free it from French influence by seeking alliances with other nations outside the franco-phone area.

The territory which the French called Upper Volta has special importance, inasmuch as it can be termed the "border zone" between "white Africa" and "black Africa." Recently, the leader of the "Land of Incorruptible Men" got involved in a border dispute with Mali, where social conditions are gradually going downhill. Sankara, who had attempted diplomatic relations with Ghana and with Libya, will hold off on his contacts with Qadhdhafi, since the latter would not favor an understanding between Burkina Faso and Cuba and other so-called "progressista" African countries.

12830/12859

CSO: 3442/75

MILITIAMEN COMPLETE FIRST TRAINING PHASE

Accra PEOPLE'S DAILY GRAPHIC in English 16 Jan 87 p 5

[Article by George Syndey Abugri]

[Text]

THE first batch of Militiamen trained by the Civil Defence Organization (CDO) in the Upper West Region have ended their first phase of basic militia training at Wa.

The first phase lasted two months and the militiamen numbering 30 went through intensive physical training, foot drill and political orientation.

With the completion of the first phase of their training programme, the militiamen will now move to Tamale, in the Northern Region, for the next phase which will involve three months training in weapon handling.

Speaking to the 'Graphic' at Wa the officer in-charge of the regional CDO, WO I Gaspard Dunu said, the CDO would demand the highest level of

moral discipline and revolutionary commitment from the militiamen, who will supplement police efforts in checking crimes as burglary and smuggling. They will also act as civil defence guards in their communities.

WO I Dunu who is also Operational Assistant to the Wa District Secretary, said the first batch of militiamen had been selected after a thorough screening of all applicants to ensure that criminals, misfits and other applicants with dubious character did not infiltrate the CDO.

Meanwhile, the regional CDO has supplied the militiamen with knaki uniforms and boots. The uniforms bear special badges for easy identification of those on duty.

/13104

CSO: 3400/162

MILITARY POLICING SYSTEM FOR MILITIAMEN

Accra PEOPLE'S DAILY GRAPHIC in English 3 Feb 87 p 5

[Article by Abdul Aziz]

[Text]

A SYSTEM of military policing has been introduced in the Civil Defence Organisation to protect the militia from imposters and ensure discipline.

Members of the CDO have therefore been urged to be critical of people who entice them to molest their fellow countrymen.

Brigadier A. Tehn-Addy, Commander of the CDO who announced this in Accra at a get-together for militiamen said the concept of the CDO which is based on the model of Asafo companies aims at guarding communities against armed robbers, thieves and dissidents.

He advised militiamen that while carrying out their sacrificial duties they should remember to comport themselves and set the pace of the revolution by their good example. Brigadier Tehn Addy advised the militiamen to rededicate themselves and work harder to achieve greater results.

Lt (rtd) J. K. Bambill, Operation Assistant of the Accra District CDO in his address said the CDO has contributed to environmental protection in all forms. He said the public has begun to appreciate their role and urged the members to justify the creation and existence of the CDO.

At the function prizes were distributed to dedicated cadres who excelled themselves during their duties.

Mrs Selina Taylor, Greater Accra Regional Secretary chaired the function.

/13104
CSO: 3400/162

FINANCE MINISTRY LIFTS RETIREMENT BENEFIT BAN

Retirement Benefit Applications Permissible

Accra PEOPLE'S DAILY GRAPHIC in English 24 Jan 87 p 1

[Text] THE Ministry of Finance has announced that following further consultation with all concerned parties it has been decided that the temporary freeze on payment of end-of-service benefits imposed by the ministry should be lifted to enable pending applications to be duly processed while the review of the financial implications of the existing scheme and ongoing consultations continue.

Meanwhile in a se-

parate development, the PNDC Secretary for the redesignated Ministry of Mobilisation and Productivity, Mr W. H. Yeboah, has emphasised that the new ministry has full responsibility for labour and industrial relations and the Department of Labour will continue to be a specialised department of the redesignated ministry, a statement issued in Accra yesterday said.

The statement added that the details and modalities of the conversion are being worked out by a special Task Force.

TUC Reacts to Lifting

Accra PEOPLE'S DAILY GRAPHIC in English 24 Jan 87 p 1

[Text]

THE Trades Union Congress (TUC) of Ghana, has expressed sincere appreciation to the government for the decision to lift the temporary freeze on payment of end-of-service benefits, in spite of the current financial position of the country.

A statement issued in Accra yesterday and signed by Mr A. K. Yankey, Secretary-General of the TUC, said "On behalf of the TUC and all workers, I would like to express my sincere appreciation to the government for its decision to lift the temporary freeze on payment of end of service benefit in spite of the precarious financial position of some of state corporations, dependent on public funds".

The statement said the decision of the Ministry of Finance is a clear vindication of "faith in consultation and dialogue as a means of resolving differences".

In this connection the TUC boss strongly warned "those sections of labour which took unilateral action while consultations were going on" and advised them to exercise constraint in such matters.

The statement pointed out that end-of-service awards benefit management staff more than unionised workers. It cited as an example that a worker on a salary of C29,160.00 per annum will earn C194,400.00 after 20 years at four months pay for each completed year of service; whilst management personnel on C174,960.00 per annum will earn about two million cedis for the same length of service and on the same formula for calculation.

"I therefore wish to appeal to all workers to patiently analyse the existing scheme, in order to enable organised labour to make a useful contribution in the workers interest to the on-going review of the scheme.

It will be recalled that at the TUC executive board meeting at Cape Coast in December last year, the issue of the freezing of payment of end-of-service benefits was discussed.

The Secretary-General then asked the executive board to allow him time to consult with the ministries concerned.

/13104

CSO: 3400/164

SOVIET EMBASSY WORKERS COMPLAIN ABOUT SERVICE CONDITIONS

Accra PEOPLE'S DAILY GRAPHIC in English 3 Feb 87 p 5

[Text] **WORKERS of the Soviet Embassy in Ghana have complained about the poor conditions of service at the embassy.**

According to a section of the workers, the embassy pays the lowest salary among all the foreign missions in the country.

They also complained that they are not given any allowance, medical care and transportation by the embassy.

On procedures for employment, the workers said the embassy uses its frontmen who contact the prospective employee.

Such a person is neither given a letter of employment nor a salary scale. One gets to know how much he is paid only after the first payment.

According to them, if one complains he is asked

to quit since a new person could be found.

The workers accused the embassy of taking advantage of the scarcity of job openings in the country to exploit them.

When Mr Jyar Chthlekaev, the consul was contacted he agreed that the salaries are low and that no allowances are paid since they operate under Soviet laws.

He however, pointed out that they don't pay below the minimum wage.

The Consul said the embassy had written to Moscow for permission to increase salaries of workers.

He said drivers are paid C25,000, garden boy C3,600 and watchmen C3,000.

Mr Chthlekaev said all workers receive medical care from the embassy's medical point and are also allowed to use the embassy duty free shop.

/13104

CSO: 3400/162

TIMBER INDUSTRY'S ROLE IN ECONOMIC RECOVERY PLAN

Accra PEOPLE'S DAILY GRAPHIC in English 21 Jan 87 p 3

[Article by K. Abaka Quansah]

[Text]

THE timber industry ranks third after the cocoa and mining industries in terms of contributions to the nation's export earnings. The general decline in all facets of the national economy since the 1970's was reflected in returns from the timber trade, just as it was reflected in all the leading economic indicators.

Production of round logs declined from about two million cubic metres to 550 thousand cubic metres between 1973 and 1981. In the circumstances, returns from the timber trade also declined from \$130 million to \$20.4 million in the same period.

The decline in the timber industry can be attributed to a miscellany of problems among which the over-valued exchange rate regime of the past fifteen years stands out as the most significant.

Other reasons that can be adduced for the decline in the timber industry include inadequate provision in the past of sufficient foreign exchange for capital replacement and rehabilitation of equipment; poor state of roads and raiiling facilities and inefficiencies at the ports causing great costs to exporters and vessel owners.

Under the recovery programme, the PNDC initiated a rehabilitation programme to arrest the decline in the timber in-

dustry. The rehabilitation programme adequately addressed the over-valuation syndrome which made it cheaper to import than to export and therefore directly or otherwise pulverised all the productive sectors of the national economy.

The systematic adjustments of the exchange rate of the cedi to the dollar, and therefore to all the convertible currencies have enabled timber producers earn enough in local currencies to meet their local costs and to make some profits.

Coupled with the exchange rate adjustments has been the export retention scheme, under which timber exporters retain 20 per cent of their foreign earnings in external accounts. The retention scheme enables timber producers to bring in the equipment and spare parts needed for increased production.

External resources have also been sunk into the timber industry for purposes of rehabilitation work. The National Investment Bank expended \$20 million on the industry under the first-phase of the recovery programme. A further \$8 million was allocated by the government for disbursement to timber producers.

The injection of resources for rehabilitation, the retention scheme and the rehabilitation of roads in the timber producing areas

as well as the rehabilitation of the Western railway line had salutary effects on the timber industry.

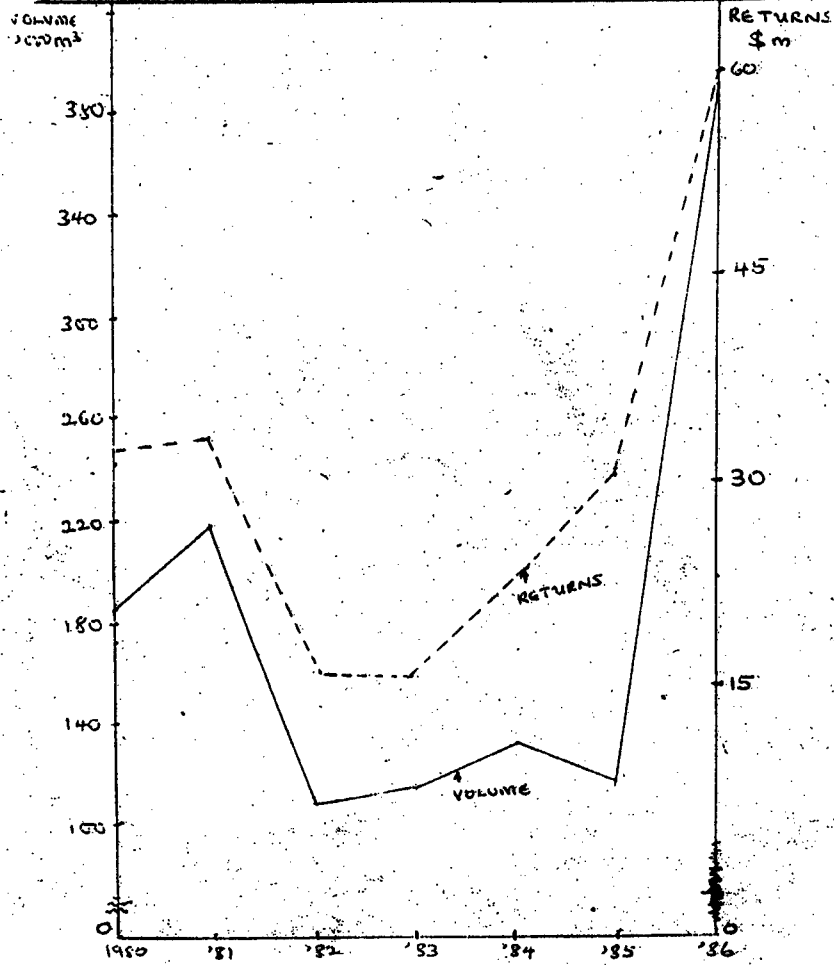
The graph shows the export volumes and returns from the timber industry since 1980. It shows that export returns, at \$60 million in 1986, showed a 100 per cent increase over the returns in 1985. With respect to earnings from the timber trade in 1982 and 1983, the 1986 export earnings showed an increase of about 275 per cent.

Export volumes have also followed the trend. At 390,000 cubic metres the volume of timber exported in 1986, showed an increase of 140 per cent over the export volume in 1985, and 250 per cent over the volume exported in 1981.

Although the figures for returns and volumes of export in 1986 pales in comparison with the corresponding figures in 1973, the fact remains that the decline in the timber industry has been arrested, and a solid foundation laid for increased production in the years ahead.

The rejuvenation of the timber industry remains one of the basic realities that attests to the appropriateness of the recovery programme to finding lasting solutions to the problems that plagued the national economy in the immediate past.

TIMBER - EXPORT VOLUMES AND RETURNS, 1980-86



Timber exports and returns between 1980 and 1986:

/13104
 CSO: 3400/162

BRIEFS

GOVERNMENT ORDERS PRISONER RELEASE--Following the broadcast of the Chairman of the PNDC, Fit.-Lt. J. J. Rawlings on December 31, 1986, the government had ordered the release of 340 prisoners on medical grounds. The reasons for the release include old age and ill-health. Pregnant women and nursing mothers are also included, an official statement issued in Accra said. Fifty of those concerned will be released on licence and will report monthly to the Police, because of the nature of their crimes which include stealing and smuggling. Three of the prisoners who were discovered to have leprosy are to be sent to the Ankaful Leprosarium, whilst one who is an alien will be deported. The government has also ordered the release of the rest of the former Military Intelligence personnel who, under the PNP, were directly involved in harassment and assassination attempts. Other cases involving national security are still under consideration by the PNDC, the statement added.
 [Text] [Accra PEOPLE'S DAILY GRAPHIC in English 15 Jan 87 p 1] /13104

ELUBO BORDER POST--Construction work has begun on a C76 million complex border post for the security agencies at Elubo on the Ghana-Cote d'Ivoire border in the Western Region. The work which involves the construction of offices and warehouses is being undertaken by the Public Works Dpeartment (PWD) and is aimed at facilitating the work of the security agencies. Elubo serves as the entry point to Ghana from Cote d'Ivoire and traffic to and from the Trans-Africa highway. Mr Kofi Sekyi, Regional Engineer of the PWD who disclosed this in an interview said the project forms part of the department's effort to undertake viable commerical ventures. He said the department has completed part of the concreting, and block work would soon follow. The department, he added, is hastening to beat the deadline by the re-inforcement of its workers drawn from Tarkwa, Axim and Takoradi. It would be recalled that on a number of occasions when government officials visited the Elubo entry point they complained about makeshift accommodations for security personnel in the area. Currently, the Customs, Immigration, Health, Plant and Quarantine Department workers work in wooden sheds and containers. [Text]
 [Accra PEOPLE'S DAILY GRAPHIC in English 19 Jan 87 p 16] [Article by Fiifi Mensah] /13104

DPRK VEGETABLE OIL INVESTMENT--The Democratic Peoples Republic of Korea has expressed interest in co-operating with Ghana in the area of agro-based industries. Disclosing this during a courtesy call on the Secretary of Industries, Science and Technology, Dr Francis Acquah at the week end, the

D.P.R.K. Ambassador, Mr Chang Tuho expressed his country's interest in a Joint Venture ownership of Esiama Oil Mills in the Western Region for the production of copra oil. Briefing the Ambassador on the priority areas, the Secretary focused on Small Scale Industries processing agricultural produce, e.g., cassava, corn, plantain, cocoyam, and forest products like canes and bamboo. Other areas mentioned were the establishment of Small-scale foundries to support the production of simple agricultural implements like ploughs. Present at the meeting were Mr Martin Amidu, Under Secretary for Industries, Science and Technology, Miss Victoria Oku, Chief Director, Administration of the Ministry and Mr Cho Yongman, secretary, D.P.R.K. Embassy. [Text] [Accra PEOPLE'S DAILY GRAPHIC in English 19 Jan 87 p 3] /13104

CDR DELEGATION FOR LUANDA--At the invitation of the Angolan Government, a two member delegation led by Mr Kwabena Arane-Agyei, Brong-Ahafo Regional Organising Assistant, left Accra for Luanda at the week-end to represent Ghana at the First Conference of the Brigades of the Angolan Revolution. The other member of the delegation is Ms. Rebecca Okai of the Accra District Civil Defence Organisation. After the Conference, at which a solidarity message from the Office of the Political Counsellor will be read, the delegation will stay on to see how the Brigades of the Revolution, the equivalent of our CDRs, operate. While in transit in Ethiopia, they will further study the operations of the Ethiopian Defence Committees. [Text] [Accra PEOPLE'S DAILY GRAPHIC in English 3 Feb 87 p 5] /13104

CSO: 3400/163

PRESIDENT'S NEW YEAR MESSAGE

Conakry HOROYA in French 1 Jan 87 pp 1-3

[Message to the nation by its president, Gen Lansana]

[Text] Ladies and gentlemen of Guinea!

Dear fellow countrymen!

On the threshold of the new year 1987, I address you at the moment when, wishing I could be with each one of you, I want to share the hopes of everyone, but especially to renew with all of you the pact of conciliation with our common plan for society.

It is traditional, on this occasion of the passage from one year to the next, to solemnly mention future projections, thus to breathe a little dream into minds made receptive by the euphoria of the holidays.

For my part, I want to deviate from that custom and challenge the unrealistic promises.

Guinea needs the truth of change rather than dreams.

The Second Republic, from its very beginning, was defined as an era of national energy, a constructive force in the service of freedom and responsibility for its citizens.

In spite of many diversions which were insidious and of every kind or origin, intended to alter the direction of government action, I am strengthened by the undeniably positive achievements of the year 1986, which is now behind us.

It was a year filled with resolute and innovative deeds whose watermark is the look of the new Guinean society.

My dear fellow countrymen!

Our vast reform program, which was outlined in my declaration of general policy of 22 December 1985, had as its ultimate essential theme the surmounting first of all the legacy taken over by the Second Republic.

Rather than hold forth on the defects of a past from which all Guineans are now turning away, I am reminding you of the broad outlines of the reform program of which the year 1986 was the first stage of its execution:

- Reform of the monetary and banking system and the rehabilitation of the national treasury;
- Restructuring the industrial and commercial sector by means of privatization;
- Relaunching agricultural production and promoting small and medium-size businesses;
- Administrative reform and decentralization of structures for development of rural collectivities;
- Social reforms supported by a regenerated infrastructure for the purpose of improving the citizens' social security benefits for education and, mainly, for health.

As you know, accomplishing this reform program is a process which necessarily goes beyond the limits of one year.

However, let us retrace together, without hiding the weaknesses, the list of actions taken by the government over the past year.

First, the reform of the monetary and banking system which, making possible financial and monetary stabilization, formed the operational basis for the structural reforms needed by our economy and our institutions so they could emerge from lethargy and gain in vigor.

Devaluation of the syli, changing the monetary symbol by creating the Guinean franc, adjusting some prices, putting in place a private and semi-public banking system, reorganizing the Central Bank.

These measures generated an economic activity in which the private sector invested a good measure of its potential capacity for initiative and enterprise.

Thanks to an adequate volume of foreign currency, the Central Bank was able to satisfy most import requests.

As for receipts, fiscal resources were tripled thanks to the effect of devaluation, to the new customs tariff and the fiscal offensive that made it possible to inventory and tax 173 privately-owned corporations and businesses.

Government expenditures were substantially reduced to approximately 5 billion below the forecasts.

The Guinean franc, however, could not be totally safe from speculative attacks.

The acceleration of the monetary expansion recorded in the third quarter was largely responsible for that fact.

You will recall that it was in exactly that period that the government, after the bonuses were granted to the workers following upon devaluation, granted large wage increases.

I know that the remuneration level for wage-earners is not yet adjusted to the cost of living, but the government has to administer the development and therefore cannot safely concede an aggregate remuneration incompatible with our budgetary possibilities.

In other words, a substantial wage increase is in sight, but it will depend on the level to which the number of Civil Service workers is reduced.

In 1987, new measures to reinforce the provisions which had already been tested were announced, notably in bank credit and interest rates.

These measures will aim at better promotion of savings and productive investment, while budgetary policy will be more dynamic.

This is the price we will pay to be able to bring to completion the administrative reform whose basic sections are: getting rid of the fat from the Civil Service, definition and organic formalization of government institutions with a view to assuring an administration that is more cohesive and completely turned toward development and, ultimately, decentralization.

Administrative reform will obviously be the great achievement of the Second Republic, the one that will endure, while endowing each agent of the administration with the meaning of the state and the public interest and well-being.

Similarly, the dynamic of the decentralized structures will give free reign to the development of skills and resources at the district level.

The work accomplished in that sphere in 1986 is valuable less for the defunctionarization than for the solid, reliable and efficient institutional framework that was gradually put in place.

In 1987, the creativity of the decentralized collectivities is to experience a new vigor.

They are at present being equipped with resources for facilities and development.

That is one of the achievements of 1986.

Our populace is valiant and in the rural development sector you can find exceptional efforts and the remarkable seriousness that accompanies small family production throughout the nation.

This year's end saw an encouraging rice harvest. A study is in progress to determine the availability and competitiveness of the local rice, with a view to encouraging its production.

Today, rice produced locally is more abundant and better priced than imported rice on all of the nation's markets.

This proves that the Guinean peasantry, freed by the Second Republic from the regressive shackles of the systems that extorted its product, is letting all of its vitality explode in the service of its own greater welfare and that of the nation.

The expansion of foodstuff production and the plantation economy deserves to have the CMRN and government give more attention and support to promoting rural activities. The means of supporting the modernization of that priority sector will therefore be considerably reinforced in 1987.

Food self-sufficiency, to which we keenly aspire, will be attained at that price.

Swept along on the breeze of urban daily life, many citizens lose sight of the realities of the rural world.

Their minds are no longer on what all of us owe to rough labor, sometimes unrewarded by nature but always accomplished with perseverance by the great majority of our brothers and sisters who live in the countryside.

By raising the level of the prices of their products, by putting an end to forced commercialization, the government has done more than encourage them, it has brought about social justice.

In the commercial sector more precisely, all of the regional state-owned firms have been abolished and liquidated.

Privatization of 15 national firms has begun. The emergence of private, politically healthy groups has enabled the Guineans to assume effectively the functions of distributing indispensable foodstuffs and medicines.

The Guinean Commerce Company is authorized to regulate the market for foodstuffs.

The distribution functions it carries are dependent on the circumstances.

They are to be taken over gradually by nationals.

The process of privatizing the industrial sector is being actively pursued.

Despite the apparent slowness, which is explained by the necessity of choosing the best technical partners and protecting the national interests, the restructuring of our industry is firmly under way.

It is gradually transferring to private initiative those firms in whose management the government has been shown to be a poor producer.

The strength of our industrial sector will proceed from the great density of the fabric of the small and medium-size businesses.

One sphere that the government has long identified as essential to our nation's development.

Bringing the support system for private investment into harmony, effective mobilization of the lines of credit already negotiated for financing the projects of small and medium-size businesses, professional training of the private developers are the main lines of government action in progress.

At the same time the government is implementing an institutional sorting out to clarify the conditions for carrying out economic activity, and to create an environment that will encourage national and foreign private investment.

The Petroleum Code and the Mining Code have been drawn up and promulgated.

The Investment Code, the Public Markets Code, the Commerce Code, the Labor Code, the Fishing Code and the Industry Code will also be drawn up and promulgated very soon.

Thus our country will have at its disposal an appropriate legal arsenal that will confer more credit on our economic policy and grant the hoped-for guarantees to all who wish to conduct business.

In the area of public investment, the triennial program (1987-1989) will be discussed and adopted by the government in the very near future.

That program will give priority to investments favoring the expansion of the productive sectors, in particular agriculture and small and medium-size businesses.

It will also be oriented toward satisfying our population's basic needs in the health and education fields.

In human resources, a series of actions has been started for the promotion of professional training and contractual management of employment by social partners.

Moreover, extension of primary health care and preventive health care to a larger population segment has constituted one of the important main lines of the government program.

The school infrastructure has benefited from a vigorous expansion.

School supplies and textbooks have been distributed in all of the country's schools.

The objective of these actions is assuredly to make the education of young people qualifiable.

This is the place to emphasize the dynamic role the government expects to be played, most particularly by the associations of parents of students, whose support for our educational institutions will be an effective intermediary and a useful contribution to the state by helping to meet its obligations.

The quality of the service benefits in the fields of energy, urban transportation and the media has also been greatly improved.

The National Conference on Sports has put in place structures appropriate for making Guinean sports dynamic in the future.

The Guinean culture has benefited from initiatives that have set creativity free.

It has become more effective because of the innovative spirit of the men and women who are artisans.

As far as the hotel and tourism sector is concerned, the government remains open to any proposal for investment. Toward that end, 1987 will see the establishment of appropriate structures which will make it possible to facilitate, farther upstream, taking and carrying out adequate decisions in order to avoid the inconveniences of a tourism run wild, and the anarchic proliferation of bars and restaurants, in a dubious administrative position and failing to observe the required health standards.

Men and women of Guinea!

In foreign relations, the government of the Second Republic has deployed efforts that are supported, with the idea of establishing and promoting confident relations of friendship and cooperation with all the states in the world, on the bases of respect, friendship and reciprocity of interests.

It has worked to strengthen good-neighbor relations between the countries of the subregion and to lay the foundations of south-to-south cooperation with the African countries, by means of concrete action programs.

Visits of state, friendship and working visits were made. Several bilateral and multilateral accords were concluded.

Mediation efforts undertaken yielded satisfactory results.

In this regard, the signing of the treaty of nonaggression and cooperation in security between Sierra Leone, Liberia and our own country is an important factor in maintaining the subregional equilibrium so indispensable if our development objectives are to be realized.

The peaceful solution recently reached in permanently settling the conflict between Mali and Burkina Faso is a typical example of what is desirable in preventing confrontations between neighbor brother countries.

We look forward to it for the prestige of Africa.

Everywhere that the risks of fratricidal war may divert our peoples from their fundamental preoccupation with development and security, faith in the charter of the Organization of African Unity is to encourage restraint and dialogue.

The whole of Africa must in fact mobilize in unity for the highest objectives and those most in harmony with the aspirations to freedom and dignity of all peoples.

The peoples of South Africa and Namibia in the liberation movements are waging a courageous fight against the universally dishonored system of apartheid,

which will require solidarity and a more vigorous commitment to their side on the part of our country.

On this New Year's Eve 1987, our warm thoughts are with those freedom fighters with the certainty that their cause, which is also ours, will triumph inevitably and soon.

Concerning the Islamic community, we are hoping for a happy denouement to the tragedy of the Palestinian people and we hope the tragic conflict between Iran and Iraq will move toward a quick settlement.

My government militates for universal peace.

Peace is the most important factor in development.

But peace is also a product of justice between the nations of the North and those of the South, through the re-establishment of international order.

International order in the economy, in communication, in science and technology as requirements for humanity's interdependent destiny.

We have sought precisely to diversify cooperation with the industrialized nations.

The accent has thus been placed on cooperation directed toward development, and not solely toward commerce.

We have also taken into account the necessity of mobilizing private foreign aid as a complement to public aid.

The government of the Second Republic intends to assure private investors that it will be totally available to cooperate with them in the well-understood interest of both parties. I am eager in the name of my government to express my profound gratitude to the countries which are our friends as well as to the international organizations for the considerable assistance they willingly gave us in implementing the national recovery program.

Men and women of Guinea, dear fellow countrymen,

We have accomplished an important task, but it still negligible in comparison with what remains to be done.

That is why I urge you to make the effort: the effort to understand, the effort to convert attitudes, sacrificial efforts in order to bring about the change.

It is indispensable that what has been started should be carried through to the end. This will be the price of our ending up by building a dynamic and viable economy.

We will not let ourselves be distracted by provocateurs who haven't enough work to keep them busy.

The state is putting in place a policy that will encourage the stimulation and promotion of the citizens' enterprising spirit.

Retired civil servants or those who agree to leave voluntarily to enter the private sector must be helped to facilitate their becoming private producers.

This demands daring and imaginative initiatives on the government's part in a situation where financial resources are limited.

In this regard, the recent institution of the bureau to aid the conversion of civil service agents legitimizes hopes for rapid social promotion of these new producers.

The state also watches over the fate of university young people who are looking for employment.

I am asking for your patience, because when all is said and done, the sacrifice made by their elders is destined to create for them a more attractive and more secure life. To the teaching profession, which has the virtue of patience and effort in performing work that is delicate and of profound social impact, I extend strong encouragement.

Improving its working conditions and emphasizing the value of its means of livelihood has been given special attention by the CMRN and the government.

As for the armed forces, I can never emphasize enough their historic responsibility in the conduct of this country's public affairs in this delicate phase.

That is why, repeating my appeal at their recent meeting, I am asking them to reinforce their cohesion in a disciplined and orderly fashion, with the elevated sense of patriotism that is theirs by right.

My dear fellow countrymen,

The contemporary world is a universe full of contrasts and challenges. Ecological, economic and cultural contrasts. The challenges of disease, ignorance and just plain under-development.

Our country finds itself confronted with most of these challenges because of its weak development.

To change that state of affairs and improve our people's living conditions, our recovery policy rests on the following strong points:

- A young, intelligent and enterprising populace.
- Rich soil.

However, no recovery policy will be effective unless we master our weak points:

- Ethnocentrism, regionalism and resistance to work.

Many managerial personnel still insidiously perpetuate ethnocentrism and regionalism.

They make it a criterion for evaluating men and deeds as privileged.

Because they do so, prejudices that are just as unhealthy as they are dangerous crystallize, to the great detriment of the national ideal.

But the Guinean nation is an evolution whose irreversible process will be accelerated by the state that is its antecedent.

It is therefore by its choices and its objective acts, banishing all references to ethnic groups or regions, taking nothing into consideration except the interest of the country, that the state can promote the opening out and strengthening of the national spirit.

National unity must not be a pious vow, but a reality reflected in our daily conduct by our conscious will.

It is not enough to denounce ethnocentrism and regionalism.

Energetic measures are in sight to root them out permanently from minds and behavior.

I invite each of you to meditate on the important national question.

I appeal to your sense of responsibility and your undeniable potential for good will and initiative.

Together, I am sure, we can bring our country out of the present difficulties to make it a prosperous nation, a land of freedom and justice.

Men and women of Guinea,

On the threshold of the new year, I express for each of you, for your families, for all of our people, my best wishes for health, individual and collective happiness and success in our common undertaking.

Vive la Republic!

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CSO: 3419/73

NATIONAL ARMED FORCES CONFERENCE DESCRIBED

Conakry HOROYA in French 23 Dec 86 p 1

[Article by Saliou Balde]

[Text] The National Conference of the Armed Forces of Guinea opened its sessions on 17 Dec at 1000 in the 2 October room in the Palace of the People in Conakry. It was chaired by a delegation from the Military Committee for National Recovery, headed by Maj Kerfalla Camara, minister and permanent secretary of the CMRN.

The delegation also included Lt Col Sory Doumbouya, CMRN member and defense minister; Commander Jean Traore, CMRN member and foreign affairs minister; Cap Gbago Zoumanigui, CMRN member and secretary of state for fishing; Commander Alpha Oumar Barrou Diallo, CMRN member and minister of the interior and decentralization; Commander Babacar N'Diaye, CMRN member and secretary of state for transportation; Commander Abou Camara, CMRN member and chief of the combined staff; and Lt Col Karifa Kourouma, the governor of the province of Conakry.

The meeting, the second one of its kind since the Armed Forces of Guinea took over the destinies of this country which Gen Lansana Conte runs with perceptiveness, mastery and wisdom, is of primary importance.

It will in fact enable Army officers to take stock of the situation by objectively evaluating the road that has been followed since 3 April 1984, so that they may be better able to prepare for the next stage.

What is involved, therefore, is reviewing the situation by diagnosing the sector's situation.

And since any review necessarily includes objective analysis and evaluation of the facts of the situation, the present conference will review all aspects of life and the operation of the National Army. Thus, the participants will exchange ideas and points of view on the actions laid down, the paths followed, the existing structures, the methods and means utilized until now.

For this purpose, it is well that the conference has been the object of meticulous, methodical preparation in all of the various military zones represented at these meetings.

We also recall that from 16 to 30 November inclusive, Maj Abou Camara, the chief of the combined staffs, traversed the length and breadth of the country. He established contact with all of the garrisons and all of the tactical sub-units in the interior. He met with officers, non-commissioned officers and enlisted men to ask them about the objective realities of the Armed Forces which are on all fronts, to identify the problems, define their outlines and appraise their dimensions, so that the conference can deliberate in full knowledge of the facts.

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CSO: 3419/73

NEW TRADE POLICY DESCRIBED

Conakry HOROYA in French 1 Jan 87 p 8

[Interview with Kaury Koundiano, secretary of state for Commerce, conducted by Saliou Sampil; date and place not given]

[Excerpts] Our reporter met with Kaury Kondiano, the secretary of state for commerce, who takes stock of the situation below.

[Question] Your Excellency, in December 1985 you took over the Secretariat of State for Commerce. You adopted a new orientation different from the former structure. Can you give us the broad outlines?

- a. At the human level.
- b. Structure.
- c. Objectives.

First, as concerns the people.

[Answer] Our first task was to define and put in place new, more modern structures for the new Department of Commerce and to staff them with qualified men to get them started; this was done in accordance with the directives of the president of the Republic, Gen Lansana Conte, as to choosing men to run our administrations. We are presently counting on a new team of young motivated managers, full of dynamism and conscious of the enormous responsibility they have assumed for the entire nation.

Within the framework of the measures designed to create the foundations of a liberal economy, the new Department of Commerce wants to establish itself as the driving force, the coordinator and regulator of the commerce sector, so as to make it possible effectively to take decisions for gradual liberalization of the market, resulting in a real development of participation by the private sector. At the same time, it wants to enable our populace to take maximum advantage of its economic resources in this new context.

The secretary of state for commerce will encourage a loyal and effective competition in order to furnish the population the widest possible range of products and services at the lowest prices.

One of the main objectives of our new trade policy will be :

- First of all, to lighten the constraints in order to increase the capacity of the economy to finance its foreign currency operations, with the aid in particular of more active development and diversification of exports, a reduction in the cost of imports, implantation of rational trade practices, to simplification, harmonization and establishment of adequate foreign trade procedures.

- And in the second place, to improve the purchasing power of the lowest-income social classes, to facilitate distribution of income in their favor, especially by instituting a dynamic price policy in accord with the government's fundamental choice, aimed at creating a liberal economy and one oriented toward encouraging national production and investment in priority activities, while controlling inflation.

Participation by Private Operators

[Question] Foreign trade has become one of our principal preoccupations. Important reforms are provided for. Can you, Your Excellency, define the priority directions for us?

- a. Revision of the export policy.
- b. Promotion of non-traditional exports.
- c. Creation of a center for commercial information and documentation.
- d. Simplification of commercial procedures.

[Answer] a. Exports will no longer be a government monopoly. The secretary of state for commerce expects active participation by private operators. On this subject, the secretary of state for commerce will study the most effective way to establish the necessary incentives to private exporters, as well as the organizing of a new framework enabling economic operators to have access to the international market, maintaining observance of the new legislation and the monetary balances of the national economy.

But we will also supervise the observance of the standards of quality in our export products. For example, for coffee, we are faithful to the standards established by the OIC.

Implementing the new export policy will require efforts and investments whose profitability cannot be left totally to chance connected with international price fluctuations. One sure safeguard, though it is a partial one, must be proposed to those producers desirous of participating in the export promotion program.

I hasten to tell you that our export policy will be adapted to the structural changes in international trade.

- b. Our general program for promoting exports, revising and restructuring the potential exportation will have as its main objective increasing and diversifying exports to increase and stabilize our country's export revenues.

Making Services Dynamic

I should like to be more precise by saying that the secretariat of state for commerce will identify and establish a list of non-traditional products having a potential for exportation. We will study the tariff and nontariff barriers the Guinean non-traditional products have to face, especially on the markets of Africa and Europe.

The new export activities to be undertaken, either mainly by the private sector or public or semi-public firms, will be supported by the most adequate mechanisms and instruments in each case.

We are very much counting on the dynamism and efficacy of our Guinean exports.

c. Creation of a center for trade information and documentation is part of the new policy. The secretariat of state for commerce will put in place mechanisms for commercial information which are indispensable for seeing foreign trade activities through, especially those meant to assist and inform private operators.

Thus, a center for trade information and documentation will be created within the secretariat of state for commerce. Its mission will be to collect, analyze and disseminate all commercial information. It will be in a position to furnish lists of supplies, buyers, product specifications, latest price quotations, payment conditions, delivery and quality control, cost of services and especially of fees, types of contracts, a general survey of the markets and their trends, etc.

d. Simplification of trade procedures must accompany every effort at administrative radicalization.

Simple, Harmonious Procedures

The reorganization of our services, notably those of Foreign Trade, will be accompanied by establishment, simplification and harmonization of Foreign Trade procedures and documents.

Implementing the measures to simplify trade will be done by a National Committee for Simplification of Trade, which will be created with the participation of the Chamber of Commerce and any other concerned private sector organization, and with the direct technical assistance of the CNUCED.

Within the framework of simplification of trade procedures and in-depth reorganization of the services responsible for foreign trade as indicated above, we envisage concentrating all foreign trade procedures in the same service.

Finally, all these rationalization efforts can be no more than incomplete if they are not accompanied by information from the services of the new department of commerce with the installation of the CNUCED's SYDONIA system, to which the services of Customs, the Central Bank, the Statistical Services and the Various Contributions services are going to belong, which will facilitate relations between these services and the department of commerce.

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CSO: 3419/73

BRIEFS

CULTURAL AGREEMENT WITH CUBA--On Saturday 27 December Edouard Benjamin, minister of planning and cooperation, and His Excellency Silvio Ribera, Cuba's ambassador to Guinea, officially signed a cultural and educational exchange protocol. The ceremony took place at the Palace of the Nations, in the presence of high-ranking personages. On the Guinean side there were Zainoul Abidine Sanoussi, minister of information and culture; Mamadou Bobo Camara, general director of international cooperation; and several government officials. On the Cuban side, Ambassador Silvio Rivera was accompanied by close associates. In its broad outlines, the protocol that was signed deals with middle, university and post-graduate education of Guineans in Cuba, in the arts field. It will make possible the exchange of specialists in music between the two countries. It also defines the framework of the cooperation between the national Jose Marti Library and Guinea's national library, and of the cooperation between both countries' cinematographic institutions. On a more general plane, the protocol aims at cooperation in the information sphere by means of the exchange of specialized publications. [Excerpts] [Conakry HOROYA in French 1 Jan 87 p 5] 3946

CSO: 3419/73

EARNINGS WINDFALL OFFERS BREATHER FOR ECONOMIC REFORM

London AFRICA ECONOMIC DIGEST 'Special Report' in English Dec 86 pp 2-4

[Text]

"THE ECONOMY is still on course" is the bullish message from Kenya's Finance Minister George Saitoti. "We should see real growth in GDP of 5-6 per cent in 1987," he told AED in an interview – "subject to all the usual uncertainties."

These "uncertainties" – world commodity prices, the rains, global trading levels – are one side of the equation facing Kenya at a delicate stage in its economic development. Saitoti well understands the uncertainties that govern too much of Kenya's economic well-being. Planned growth could have been higher in 1987, he told AED, but the government did not wish to go for maximum expansion. "High prices won't last for ever," Saitoti points out, referring to the windfall gains from coffee, which is estimated to have earned KSh 8,200 million (\$510 million) this year, up from KSh 4,000 million (\$249 million) in 1985 (see page 10). With a realism that reassures Kenya's aid supporters, Saitoti says the government is striving to ensure that when the prices do fall the economy "lands on a cushion not on cement."

The other side of the equation is reforming the inherent weaknesses in the economy's structure now impeding per capita growth.

Solving equations is the forte of the six-foot-plus half-Masai half-Kikuyu former mathematics professor, who took over the Finance Ministry in October 1983. It is a task he shares with veteran politician Robert Ouko who, since August 1985, has taken on Saitoti's former planning responsibilities in a new separate ministry.

Their task is to take advantage of the breathing space that export earnings and growth figures this year – and hopefully

next – provide to get things moving. The basic problem can be simply put: "We must really ensure that the Kenyan economy grows faster than population," Saitoti says, and government has a particular role by helping to create jobs faster at less cost, he adds.

Agriculture, as elsewhere in Africa, remains the key to these goals. Kenya's population growth rate of around 4 per cent a year and the potential for significant expansion in cultivated area being restricted to dry marginal lands combine to present planners with real problems for the future.

This year's maize surplus shows what can be done, and Kenya's farmers are more responsive than most to producer price incentives. Strides are also being made in the development and distribution of locally generated high-yielding dry-land grains, which should further boost productivity and gross output.

The experience of the past two years has shown, however, that institutional rigidities, as well as the weather, govern Kenya's farming fortunes. Movement is at last being seen on liberalising the stranglehold the National Cereals & Produce Board (NCPB) has had on the grain sector. No other issue has so symbolised the reforms that many – including such crucial determiners of Kenya's financial fortunes as the World Bank – believe are vital if growth rates are to be accelerated, but on which the government has felt compelled to move slowly to protect wide-ranging national interests.

The government, Saitoti points out, is now making the short and medium-term steps towards the "long-term goal of liberalisation of grain trading." But, explaining some of the government's caution, he insists Kenya cannot "just open our doors." With Kenya's neighbours suffering food deficits, the government is afraid of seepage out of the country. "The issue of maize marketing is very important, but you cannot just rush into it, because of the fear of

Balance of payments

(\$ million)

	1980	1981	1982	1983	1984	1985
Merchandise exports (fob)	1,261.4	1,072.3	933.7	925.2	1,033.9	942.1
Services and income	799.8	671.9	631.9	567.7	586.7	571.3
Merchandise imports (fob)	-2,344.8	-1,881.3	-1,494.6	-1,204.0	-1,348.8	-1,289.0
Services and income	-749.8	-678.9	-653.9	-534.2	-611.4	-580.8
Balance of goods and services	-1,033.4	-816.0	-582.9	-245.3	-339.6	-356.4
Net transfers	146.0	93.1	64.8	111.8	144.4	145.9
Balance on current account	-887.4	-722.9	-518.0	-133.5	-195.2	-210.6
Direct investment	77.9	60.3	86.1	54.5	60.0	77.1
Other long-term capital	300.9	226.4	161.3	145.3	135.1	24.7
Other short-term capital	127.0	119.1	51.9	36.9	50.9	7.7
Net errors and omissions	9.3	-33.7	96.5	-5.6	21.0	57.0
Overall balance	-371.5	-350.8	-122.2	97.6	71.9	-44.1
<i>Current account deficit as % of GDP</i>	<i>12.5</i>	<i>10.8</i>	<i>8.3</i>	<i>2.3</i>	<i>3.5</i>	<i>3.6</i>

Source: IMF

turning food surpluses into food deficits," Saitoti claims.

The situation on grain trading typifies the dilemma at the heart of the development equation. Kenya's planners – as this year's all-important sessional paper number 1 amply demonstrated – know the direction in which they are moving. What is less clear is how quickly they are prepared to take the multitude of short-term steps likely to characterise Kenya's approach to structural reform.

"The paper makes all the right noises, provides an overall framework, but no agenda and no timescale," complains one donor. "We were hoping the budget would carry it further but we were disappointed."

Many in business argue that the time for caution has passed and that – with productivity levels stagnant or falling, population pressure growing daily and overseas investment at best hesitant – urgent action is vital.

Industrialists have been waiting impatiently since 1983 for price controls to be liberalised. Saitoti again promises that legislation is being prepared, following redefinition of the formula for controls. At the same time, the list of products covered has been purged of non-essential items. "In the long run, we want to ensure that most prices will be determined by market forces," he says. What worries manufacturers is how long "the long run" is.

Saitoti also insists that the export compensation scheme, heavily criticised for bureaucratic delays, is working well. The

volume of claims has been running far higher than the KSh 2 million (\$124,000) a month the government had expected. Processing has been speeded up, although it is still a major source of complaint, but the government must ensure that only bona fide claims are paid, he says. The scheme has recently been given a 20 per cent boost and the government "must give it a chance before contemplating any changes."

Saitoti says the government has done sales tax on machinery. All of which is designed to make the cost of manufacturing cheaper," he points out; he stresses that the government will maintain an exchange rate "which works in a way which complements the incentives."

Balancing the incentives to exporters – and Saitoti emphasises the potential offered by the Preferential Trade Area for East & Southern Africa (PTA) – are modifications to the import regime, which will continue to provide some degree of protection to local manufacturers. "We expect our industries to be run efficiently and to be open to competition. But Kenya's infant industries must be nurtured. We cannot just open up the doors, they need some degree of protectionism."

Industry, along with agriculture, are the sectors the government hopes will absorb Kenya's growing labour force and ensure per capita growth. Incentives to help industry take its share of this onerous burden are clearly at the forefront of Saitoti's mind. And, with an eye on the need for job creation, more emphasis is being given to

the development of the informal sector – or "jua kali" as it is called, after the hot sun under which most of its members work.

The government is trying to find ways that the sector can get access to the finance – in particular, commercial borrowing – it needs to expand. Saitoti points to the scheme being put together by the government and Kenya Commercial Bank which will make guarantees available to would-be borrowers without collateral on loans totalling up to KSh 20 million (\$1.2 million) over the next three years. A number of donors are showing interest in the scheme.

Job creation is vital for a government under growing political pressure from families whose living standards are falling as their members fail to find work or shambas to cultivate. Although it is recognised that the good times cannot last, this year's coffee windfall has created some optimism that economic growth can be kept ahead

of population. "We are optimistic that as coffee earnings go down manufacturing will be going up and be able to export much more," Saitoti says. Tourism has also done well, he points out.

As evidence of the government's ability to deal with pressing economic problems, Saitoti cites the speed with which it moved to restore confidence after the recent series of banking scandals. "The banking sector is now stabilised," he says. Other sources question whether the government should not have acted earlier. They point out that more than a year elapsed between Rural Urban Credit Finance running into difficulties and the latest series of collapses in mid-1986.

Also worrying is the excess liquidity towards which a weakening of confidence in the smaller financial institutions has contributed, particularly at a time when little in the way of big projects or purchases is on the cards to mop up the high coffee revenues. Most of the increase in financing is going to the parastatal sector. Hints that a cut in the rather high interest rates may be on the way have made the bigger banks cautious about accepting all the funds swinging in their direction.

Reform of the financial sector and in particular capital markets has been in the offing for some considerable time. A paper has been prepared by Washington-based International Finance Corporation (IFC), but the government has moved slowly to broaden the debate on what measures

should be undertaken. While many believe the present nature of the economy permits only limited initiatives to be made, the chronic need to match potential borrowers with a ready pool of domestic savers suggests the need for urgent action if a ready engine for sustaining economic growth is not to be badly underutilised.

The government is also looking at the foreign investment protection act – specifically the clauses on repayment of capital – to see if something can be done to stimulate external flows. Again, moves here have had to be balanced with domestic political factors, leading to a number of – for investors – worrying statements about restricting foreign participation (see page 21).

While the government grapples with the need for structural reform, the former Nairobi university mathematics professor's main task will be to ensure that the sums add up. Any professional aversion to calculations that fail to provide the right answer can be eased for the time being. Most of the numbers add up to healthy surpluses, while the budget deficit for 1986/87 will be 4 per cent of GDP or less, Saitoti says. Observers in Nairobi fear, however, that the deficit could climb to 5-7 per cent. "The government is coming under a lot of pressure to spend because of its windfall. It won't live with its forecast," predicts one donor.

Revenue prospects are thought to be broadly realistic, but there is concern about transfers to parastatals. These have virtually doubled in the latest budget – notably with outlays on the NCPB storage programme and development of the government tea zones, as well as improvements in pay and conditions for the military.

A "substantial" inflow of grants – between KSh 2,000 million-3,000 million (\$124 million-186 million) – is expected, while no large projects require funding in 1987, now that the contracts for the Turkwel Gorge hydroelectric scheme have been let. "We are going slow on large projects," Saitoti says, "the emphasis is on consolidation, rehabilitation and maintenance." No commercial borrowing for balance of payments or for government investment is expected.

The debt service ratio has been reduced to an estimated 25 per cent in 1986, from its 1984 peak of 31 per cent. Despite much heavier import flows for industrial and agricultural inputs, foreign exchange re-

services are expected to remain above KSh 5,600 million (\$348 million), and a modest surplus on the balance of payments is expected this year, with economists predicting a figure of between KSh 1,700 million-2,000 million (\$106 million-124 million).

Not far below the surface of the government's relationship with its donors are signs of the strain that linger in the aftermath of the Turkwel affair. The government has stated its desire for more flexibility in funding and for 100 per cent finance for certain projects, as well as its wish for more aid in the form of balance of payments and budgetary support. Following the Paris consultative group meeting in April – at which the government's budget rationalisation programme received a somewhat cool reception because of its perceived generalities – donors have given the government a year to come up with an action programme listing its priorities for each sector as well as proposals to fund them fully.

Nevertheless, all in all Kenya "should be doing quite well in 1987," Saitoti says. It is the longer term on which concern and attention is now fixed.

Balance of trade

(KSh million)

	1980	1981	1982	1983	1984	1985
Exports	10,314	10,647	11,372	13,044	15,533	16,047
Coffee	2,164	2,197	2,893	3,202	4,072	4,613
Tea	1,160	1,225	1,551	2,469	3,789	3,828
Petroleum products	3,296	3,394	3,016	2,731	2,852	2,385
Imports	19,181	18,507	18,118	18,112	21,944	24,023
Crude petroleum	5,634	6,255	6,162	5,502	5,848	6,986
Trade balance	-8,867	-7,860	-6,746	-5,068	-6,411	-7,976

Source: IMF

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CSO: 3400/126

CONTROVERSY SURROUNDS GRAIN MARKETING POLICIES

London AFRICA ECONOMIC DIGEST 'Special Report' in English Dec 86 pp 6, 8

[Article by Margaret Dolley]

[Text] DOMESTIC food production — notably that of Kenya's most popular staple, white maize — has emerged as one of the most contentious issues in the 1980s, as well as the repository of some of the planners' more ambitious hopes about coping with the imminent population explosion.

In many respects, performance has been impressive, culminating in a record maize harvest of 27 million 60-kilo bags in 1985/86. This was more than double the previous year's disastrous drought-hit crop, which necessitated substantial imports, and has even left enough over for some exports to neighbouring countries. Wheat's success has been more moderate; output rose in 1985 to some 193,500 tonnes from 135,400 in 1984, but is still below 1981-83 levels and failing to keep pace with the growing urban taste for bread. As a result, wheat imports actually rose 2.5 per cent last year.

For both grains, at least as good a performance is in view for 1986/87; about 500,000 more bags of maize are expected to be marketed through official channels. However, marketing and storage policies have aroused intense criticism from both donors and the general public. Farmers, too, complain of centralised control that makes their own planning difficult, as well as payment delays that can stretch into months.

A slightly uneasy accommodation does finally seem to have been reached with donors, led by the World Bank, which

approved \$60 million in agricultural credits in mid-1986. Previously, all structural adjustment lending had been on ice since 1983, largely because of a dispute over implementation of a study on the operations of the loss-making, government-owned National Cereals & Produce Board (NCPB), commissioned from the UK's Booker Agriculture International (BAI) that year with bank money.

The study was aimed at enabling Kenya to maintain the politically imperative self-sufficiency in maize while at the same time liberalising marketing to allow much greater private-sector participation.

Almost as soon as its recommendations on maize and wheat marketing had been digested, however, the whole sector was thrown into disarray — first by severe drought and then by last year's maize glut, which enabled major policy decisions to be, at any rate temporarily, shelved.

But now, with the swings in weather hopefully stabilised for the time being, all eyes will be on what happens when NCPB makes its main purchases between November 1986-March 1987, as well as the outcome of a new follow-up study on streamlining the board. The report — to be carried out by Italy's Technosynthesis in conjunction with Coopers & Lybrand (Kenya) — is this time financed to the tune of ECU 400,000 (\$414,520) by the EEC, as part of an agricultural policy review prior to committing Kenya's share of Lome 3 funds.

Kenyan planners have argued that

several of the BAI study's key recommendations have already been implemented, and question the need for what they see as essentially old ground to be worked again. For example, they point out that two key demands were met last season, when farmers were allowed to bypass NCPB and sell directly to millers and inter-regional barriers on grain movement by private traders were lifted. Donors, on the other hand, retort that legislation to this effect has not yet been gazetted and the moves could thus be one-off responses to the recent glut.

Nor are they convinced that the government has got to grips with the problems they perceive as being at the heart of the board's operations. Other proposals are aimed at making NCPB's powers into much more regulatory ones; decentralising it into field management units and ending its operations at the primary marketing level, so that it would act rather as a buyer and seller of last resort; ending its involvement in wheat trading; replacing much of the financing provided by bodies such as the Agricultural Finance Corporation with commercial bank funds; removing all elements of subsidy to pass the full costs of trading on to the consumer, and contracting out to approved traders and millers the holding of part of the national maize reserve, thus separating NCPB's functions as a market trader from its responsibility for food security.

This last issue is proving one of the most acrimonious. Both the World Bank and the EEC are unhappy that the government, through NCPB, has chosen this time to embark on a major programme to construct new storage facilities — thereby implicitly strengthening the board's powers in this area just as the rationale for them is being reassessed.

Up to 20 per cent of the 5 million-bag surplus left over after the 1985/86 glut has been sold to neighbouring countries, either commercially or under the auspices of bodies such as the UN World Food Programme and Band Aid. But with the world market saturated the government has been understandably reluctant to dispose of too much of its surplus, and is also wary about again being forced to import yellow maize, which proved highly unpopular last time.

While speedy action clearly needs to be taken about the maize stocks piling up on pallets throughout Kenya, protected only

by tarpaulin covers, the sense of exasperation among planners trying to deal with this thorny issue is mounting. "We get criticised all round when there's shortage, and when we try to do something about it we still get criticised," one source complained.

But, in addition to its implications for any NCPB restructuring, what worries the bank and EEC about the storage programme is its expense. They see this — along with development of the Nyayo tea zones — as potentially fuelling the budget deficit in 1986/87. More than the equivalent of KSh 240 million (\$14.9 million) is budgeted to be spent during the year on increasing storage capacity from 10 million to 18 million bags; sources estimate that up to KSh 200 million (\$12.4 million) will come from donors — notably Italy, Japan, Denmark and Australia — but much of it as loans that will have eventually to be repaid.

Several other steps have already been taken, however, towards trying to attain the government's goal of broad food self-sufficiency by 2000. A 4.7 per cent annual growth in maize output is envisaged, to 4.4 million tonnes, compared with an average 2.1 million between 1981-84. Wheat production is planned to reach 1 million tonnes by 2000, but still higher demand will mean an increase in imports to 600,000 tonnes, even if consumers can be persuaded to accept up to 15-20 per cent of flour made from semi-arid crops — such as sorghum — as substitutes in their bread.

The doubling of food output to cope with a 75 per cent rise in population is expected to come from a marginally smaller land area — as a result of government decisions to throw its full weight behind intensification of cash crop production, and to shelve costly irrigation schemes that might have increased potential cultivable area. Improved husbandry and agricultural research will thus be as crucial as streamlined marketing.

Heartening strides have already been taken in this direction, notably through steady increases in producer prices and a 30-40 per cent increase in fertiliser application which is put down to greatly improved distributor effectiveness following last year's removal of subsidies on sales and should have a significant impact on output from 1986/87 on. The recent 30 per cent reduction in prices and abolition of the KSh 100 (\$6.20) a tonne port tax should help sustain the improvement.

Kenya Seed Company (KSC) also reports increased sales of grain seeds, building on last year's 20,000 tonnes. Marketing manager Edwin Koske identifies the company's major problems as educating smaller farmers to use certified seed rather than their own stock where — notably for wheat, a self-fertilising crop — there is a short-term cost advantage but germination rates are very low.

Over and above this, KSC's priority is to build seed stores in strategic areas; the company was very proud that it was able to supply as much as 18,000 tonnes in drought-hit 1984/85, but would feel more comfortable if it was able to retain the equivalent of 30 per cent of annual sales as carryover stocks. The main constraint is the very hefty capital investment required, since some strains have to be kept for seven-10 years. KSC has made representations to government but, although everyone supports the idea, funds do not seem to be forthcoming at present.

The need for a massive injection of funds into development of more generalised agricultural research has, however, found broader consensus between government and donors. Up for study at the moment is the creation of a Kenya Agricultural Research Institute, as a parastatal at arms' length from the Agriculture Ministry.

No major innovations in research have been made since hybrid maize was developed in the mid-1970s and key areas to be improved include fertiliser use, soil and water management and wheat, as well as cultivation of beans and livestock. Total running cost over a five-year period is estimated at about KSh 2,000 million (\$124 million), of which the US Agency for International Development (USAID) and the World Bank have expressed interest in putting up \$40 million and \$20 million respectively and the EEC may put in \$10 million-20 million.

Marketed agricultural production (*000 tonnes)

	1981	1982	1983	1984	1985*
Maize	427.9	571.3	636.0	560.6	582.9
Wheat	203.4	234.7	242.3	135.4	193.5
Rice (paddy)	38.7	38.6	36.6	36.4	39.5
Cotton	25.5	24.3	25.8	22.8	38.0
Sugar cane†	3.8	3.1	3.2	3.6	3.5
Coffee	90.7	88.4	95.3	118.5	96.6
Tea	90.9	95.6	119.3	116.2	147.1
Sisal	41.3	50.0	49.7	51.4	45.0
Pyrethrum††	241.0	258.0	87.0	34.0	50.0

* provisional

† million tonnes

†† extract equivalent, tonnes

Source: Economic Survey, 1986

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CSO: 3400/126

MOZAMBIQUE

PEOPLE' S ASSEMBLY APPROVES 1987 STATE BUDGET

Budget Measures Detailed

Maputo NOTICIAS in Portuguese 7 Feb 87 p 3

[Text] With regard to budget and fiscal policy, the rationalization and maximum containment of state expenditures have first priority, to counter the growing state deficit and its negative repercussions in all areas.

Decisive action is required in 1987, concentrated on the following aspects:

-- Rigorous fixation of limits on expenditures in each sector, particularly on wages, along with more responsible spending in each sector.

-- More flexibility in the execution of the budget for each sector, which will make it possible to achieve the desired containment of expenditures by allowing each of the state agencies and institutions to seek appropriate and effective ways to regulate their expenditures.

-- Adoption of a strict policy for personnel management, including:

[a] A reduction in force wherever possible;

[b] Effective measures to combat absenteeism in each work place;

[c] Introduction of some immediate improvements in the wage scales and the average salaries in each sector, based on the economies effected, giving priority to the situation of the cadres.

-- Introduction of a strict austerity policy with regard to expenditures on materials and services, freeing up resources necessary for other activities in the same sectors.

-- Harsh penalties in all cases of mismanagement of public funds, specifically by making expenditures or assuming commitments which are not guaranteed coverage in the budget.

-- Introduction of new mechanisms for budget management which will serve as an incentive to effect savings, specifically by allowing these savings to be used to attend to the priorities in the sector in which they are effected.

--Gradual introduction of administrative and financial autonomy in all cases where this may be an effective way of tying the levels of expenditures of the agency or institution to the results of the respective activity.

-- Priority, in all cases, to qualitative growth through more rational management of the limited material and financial resources available.

Considering the war situation imposed on us, we are required to concentrate a very significant part of the resources of the state on the Defense and Security sectors, with greater sacrifice required of the other areas, whose balanced development cannot be assured until the serious economic and financial imbalances confronting us have been overcome.

Complementary Measures

To minimize the effects of this situation and to promote the improvement of government activities in the social areas, particularly health and education, complementary measures are required, namely:

-- The elimination of the idea of gratuitousness that has been associated up to now with the functioning of the Health and Education services.

-- Consequently, the introduction of fees for certain services.

-- The redistribution of resources within each sector, transferring them from areas or activities currently affected by the general situation in the country to programs with better prospects of being effectively implemented.

In the area of state revenues, it is imperative to halt the erosion which, in relative and absolute terms, has been observed recently.

The current tax system, whose bases were approved by the People's Assembly in 1978, was conceived for a situation of normal development of the national economy, characterized by overall economic and financial equilibrium and relatively stable wages and prices.

The current status of the nation's economy calls for a reformulation of the bases for the tax policy, bringing them into line with the particular economic situation which we must confront.

With regard to administrative reform and management policy, real and measurable results must come to be used as a general criterion for the assessment of the work performed at the various levels. To this end, it is necessary to redefine the proper areas of competence for the various government agencies which intervene in the economic and social process, as well as to give greater management authority to the various economic agents, particularly the companies.

The purpose and basic idea of the combination of economic and financial measures to be implemented is to enable the Mozambican citizens, regardless of their social position, race or religion, to make their own contribution to the Economic Recovery Program. These measures will bring about a substantial change

only if all the Mozambican people engage in its implementation with confidence and assurance that we will also win this economic battle.

Tight Credit

Indiscriminate borrowing and the failure to honor the responsibilities assumed with the bank require radical corrective measures.

Prominent among the approved measures are those which will make the use of credit more difficult and selective, establishing general and sectoral bases for the amount of credit to be granted.

Interest rates, both on deposits (passive operations) and loans, will be substantially increased, to bring them into line with the rate of inflation.

It is necessary to create an awareness that the metical is a scarce resource and must be used with discretion, doing away once and for all with the idea of banks as institutions that must provide subsidies. The banks have their own criteria for lending money and they must be guaranteed an assured return on the credit granted.

Also, currency emissions will be rigorously restricted, to gradually reduce the excessive amount of currency in the hands of the public.

Qualitative Change in Tax System

Several important measures have already been approved or are in an advanced stage of preparation, to bring about a qualitative change in the tax system. This change is dictated by the country's present situation.

Among these measures, we note:

-- A qualitative change in the tax system, with indirect taxes constituting the principal source of revenues for the state.

-- A redefinition of the National Reconstruction Tax, as the minimum contribution of each citizen to the Public Treasury.

-- A general revision of the Income Tax Code, with the following noteworthy changes:

[a] State companies will be subject to the general system of profit taxes.

[b] Creation of a specific tax on the activities of production and service cooperatives.

[c] Creation of a proportional tax on income from wages and the consequent redefinition of the complementary tax, which will apply, progressively, to the overall income of the individual.

[d] General tax exemption for civil servants, who will be subject only to the National Reconstruction Tax.

The increase in indirect taxes is not necessarily prejudicial to the principle of fiscal justice, bearing in mind the selective excise taxes on certain consumer products.

On the other hand, the general increase in taxes on the transfer of merchandise, also planned, should be accompanied by a rationalization of the current distribution and marketing channels (making them more workable and following the principle of bringing the producer together with the consumer) and a revision of some profit margins for the wholesalers, to minimize their effect on consumer prices.

The qualitative change in the tax system is dictated by the country's present situation, and the purpose is:

- to permit greater efficiency in collecting state revenues;
- to bring the general level of state revenues into line with the real levels of economic activity and of prices;
- indirectly, to curb the activity of the speculators.

Price Formation

The state will intervene in the formation of prices, to permit overall financial equilibrium and bring the price policy into line with the changes introduced in fiscal policy.

The goals of the state intervention in price formation are as follows:

- to fix retail prices for essential consumer products;
- to fix prices paid to the producer for the principal agricultural products;
- to define general and specific criteria to permit companies, within certain limits, to set their own prices;
- to pursue the limited practice of free market prices.

The combination of economic and financial measures to be implemented will require the overall adjustment of prices and a revision of the profit margin for wholesalers.

In any case, the state should pursue the struggle against speculation by administrative means, but it is, above all, through economic means that this combat will be successful and, insofar as possible, will concentrate the exaggerated profits that now go to the speculators in the hands of the government.

Public Accounts

The People's Assembly, in its first session, approved the General State Budget for 1987. Following are the overall figures for receipts and expenditures and their distribution.

a) Receipts	(1,000 meticals)
Central Budget	52,218,500
Provincial budgets	<u>3,363,500</u>
	55,582,000
b) Expenditures	
Central Budget	69,039,400
Provincial budgets	<u>16,542,600</u>
	85,852,000

The distribution of receipts in the 1987 State Budget, by source, is as follows:

a) Central Budget	
Income taxes	8,720,000
Sales taxes	30,312,000
Customs duties	7,000,000
Other charges and taxes by the government	2,325,000
Receipts other than taxes	<u>3,861,500</u>
	52,218,500
b) Provincial budgets	
Tax receipts	2,410,500
Receipts other than taxes	<u>953,000</u>
	3,363,500

The Council of Ministers will take the necessary steps to ensure the collection of the fixed revenues, as well as the captation and channeling of other special revenues for the State Budget.

To finance the budget deficit where the mobilization of other resources is inadequate, the government is authorized to negotiate the necessary loan with the Bank of Mozambique; the Council of Ministers will be responsible for establishing the respective conditions.

Distribution of Expenditures

<u>Category</u>	(1,000 meticals)
Civil Service salaries	15,145,200
Goods and services	11,396,800
Defense and Security	29,610,000
Debt service	5,710,000
Price subsidies	6,800,000
Financing of the deficits of the state companies	14,000,000
Others	<u>2,720,000</u>
	85,582,000

The Finance Ministry will regulate the allocation and utilization of the fund destined to help finance the programmed deficits of the state economic units and other subventions in the state economic sector.

The limits and authorized expenditures for each provincial budget:

a) Wage fund (1,000 meticals)

<u>Province</u>	
Cabo Delgado	925,100
Gaza	988,400
Inhambane	853,700
Manica	695,000
Maputo (city)	1,782,400
Maputo (province)	578,800
Nampula	1,582,900
Niassa	568,500
Sofala	1,217,400
Tete	771,600
Zambezia	<u>1,528,500</u>
	11,492,300

b) Other current expenses

<u>Province</u>	
Cabo Delgado	553,700
Gaza	319,200
Inhambane	225,400
Manica	396,500
Maputo (city)	1,054,400
Maputo (province)	281,700
Nampula	619,000
Niassa	185,000
Sofala	719,800
Tete	306,500
Zambezia	<u>389,100</u>
	5,050,300

Distribution of the subsidies from the central budget to each provincial budget is as follows:

Cabo Delgado	1,268,500
Gaza	1,079,900
Inhambane	878,200
Manica	897,500
Maputo (city)	2,053,800
Maputo (provinee)	760,900
Nampula	1,709,100
Niassa	536,200
Sofala	1,513,800
Tete	921,500
Zambezia	<u>1,554,700</u>
	13,179,100

Budget Reflects Recovery Measures

Maputo NOTICIAS in Portuguese 7 Feb 87 p 1

[Text] The receipts of the State Budget for 1987 have been fixed at 55,852 million meticals and expenditures at 85,852 million meticals, registering a deficit of 30 million meticals. Of these amounts, the receipts were established at 52,218.5 million meticals for the Central Budget and 3,363.5 million meticals for the provincial budgets. In the plan for expenditures, they are shown at 68,039.4 million meticals for the Central Budget and 16,542.6 million meticals for the provincial budgets. By 31 March 1987, the Council of Ministers will approve the allocation of investments for the year, duly reconciled with the relevant indicators of the Central State Plan and the objectives of the Economic Recovery Program [PRC].

The State Budget for 1987 reflects the economic and financial measures prepared by the government within the PRC, the objective of which is to reactivate production and gradually reduce the existing financial imbalances. The budget also reflects a concern to introduce changes in the mechanisms of management, so as to make economic management more flexible and workable.

The deterioration of the people's living standard, the decline in the purchasing power of the national currency and the immobility of the economic agents, as well as the accentuated dependence on other countries to solve the simplest problems; these are factors which dictate vigorous measures, if we are to correct the complex distortions in the nation's economy.

Reactivation of Production

The shortages which we are experiencing will only begin to be overcome when the production of goods and services rises steadily. The reactivation of production must begin in the rural area, so the latter will supply the foodstuffs for the citizens and the raw materials needed in industry. This is a basic objective; it will move the center of gravity to the rural area, to which more resources must be allocated, with a temporary reduction of supplies to the cities.

In this regard, the Central State Plan for 1987 gives priority to the reactivation of agricultural production, particularly the family sector, to reestablish a balance between the countryside and the city; that is, a balance between agriculture and industry, which is of primary importance.

The Central State Plan also determines that priority be given to the port-railway system, the revitalization of which is extremely important, both politically and economically.

Thus, a combination of important actions has been established for the reactivation of production, but their effects will not begin to be felt until 1988. Hence 1987 is basically a year of transition, of creating the necessary conditions as they pertain to supplies for industry and for the 1987/1988 agricultural campaign. The 1987 Central State Plan also notes the need for greater use of the financial instruments for the management and control of the economy

and calls for the adoption of strict measures in some areas, for the gradual restoration of overall financial balance and in anticipation of the reactivation of production.

Gradual Reduction of Imbalance

Starting in 1982, owing to the decline in production and to the increase in expenditures, the accumulated budget deficits of the state and the state companies were accentuated, reaching the massive sum of about 20 million contos by 1986.

This situation created severe pressure on prices, which, in the parallel market, have reached intolerable levels, despite the measures to combat speculation. Real wages are deteriorating sharply and an increasingly larger portion of the family budget goes to acquire minimum quantities of essential products on the parallel market. Although individual wages are low, the national payroll has reached a size which the economy cannot support.

The number of workers in the state apparatus and in the companies, compared with the present levels of production, reveals a sharp drop in productivity. This decline is more the result of objective conditions (shortages of raw materials and parts, inadequate technical training and obsolete equipment, among others) than of the subjective and individual attitude of the worker, whose spirit of discipline and dedication exemplifies the determination of our people to win the economic battle.

The situation described above has gradually come to mean that, in many work places, particularly in the state apparatus and in some well identified companies, there are far more employees than would seem reasonable, considering the services rendered and the output achieved. Now, more than ever, it is urgent to relocate the surplus manpower in more productive activities.

The existing distortions in the nation's economy call for courage and coolness in adopting energetic measures, specifically with regard to monetary and credit policies and administrative and management reforms.

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CSO: 3442/98

MOZAMBIQUE

CHISSANO ADDRESSES INHACA RESIDENTS, APPEALS FOR UNITY

Maputo NOTICIAS in Portuguese 2 Feb 87 p 1

[Report on address by Joaquim Alberto Chissano, president of Mozambique, in Inhaca on 1 February 1987]

[Text] Joaquim Alberto Chissano, president of the FRELIMO Party and of the People's Republic of Mozambique, yesterday pointed to the unity and determination of the Mozambicans to stand behind their government as the principal force in overcoming the difficult situation in which our people find themselves. The chief of state so stated in address to the residents of Inhaca, marking the beginning of a series of working visits which the highest leader of the Mozambican revolution will pay this week to various sectors of the capital in this, his first program of visits inside the country.

In a didactic and objective manner, speaking freely, sometimes in Portuguese and sometimes in the Tzonga dialect, President Chissano went deeply into the many problems that have been confronting our society from the first days of national independence.

The issue of national unity could be considered the cornerstone of the address by the chief of state, who reiterated that unity was the weapon that won national independence for the Mozambican people, under FRELIMO's leadership.

President Chissano urged the people of that beautiful island, about 15 miles from the capital, to understand precisely how big this country--their country--is and to understand precisely the size of the problems it faces.

"You give us the courage that enables us to go forward with determination to overcome all the problems confronting us. Without your conscientious support and certainty of a better future, there would be no party and no government," said the chief of state, in an explicit allusion to the determination and fighting force which have always characterized our people.

Discussing the economic recovery measures recently announced by our government, President Chissano made a point of stressing that our situation is really bad, calling, once again, for tightening our belts, in the certainty that tomorrow will be better for everyone.

In an address filled with specific examples from our daily life, the highest leader of the Mozambican nation pointed dispassionately to the multiplicity of problems and shortages that still afflict our society; he urged the audience

to maintain an accurate picture of our reality, so we will not delude ourselves with vain hopes of magical solutions.

In this regard, the chief of state was even more direct when he declared that, in his capacity as president of the republic, it would be much easier for him to offer a series of promises, to delude the people.

"I did not come here to make any promises; quite the contrary, I came to listen to your problems, which are the problems of all the Mozambican people, so that, together, we can arrive at the solutions which are best suited to our circumstances," the president pointed out.

Masters

Addressing the huge crowd gathered there, in a clear call to patriotism, the chief of state said: "You are the masters of the land, of this country; you are the masters of the government. We do not want to live forever with these problems. We must have courage now, so that, years from now, we will be able to see the results of our efforts and our determination."

Bringing up the destabilizing actions of the racist Pretoria regime against our country's independence, Chissano declared that "despite the murderous war waged against us by the armed bandits, it is certain that, in all the 11 years of our independence, our enemy has not been able to destroy the government, or FRELIMO, because this government and the FRELIMO Party are the Mozambican people."

President Chissano added that, by creating the armed bands and infiltrating them into our society, the enemy sought to lead the people to rebel against their party and government.

"When we attempt to produce, the armed bandits burn our store houses, they kill our livestock--all this to create widespread famine in our country, forcing us to live off charity," President Chissano said in his address to the residents of Inhaca, an address which lasted for about 90 minutes.

The economic recovery program recently approved by the government was noted by the chief of state as the only path to take to lead us gradually out of our current state of poverty.

"It is better to eat a little food every day, in the certainty that tomorrow will be better, than to stuff ourselves one day, only to go hungry later. Our economy is substandard and the measures which we have taken are aimed to halt this progressive deterioration, to begin the process of recovery and gradual growth," the chief of state said at one point.

Growth Takes Time

Turning to some of the problems voiced by the local residents, which do not differ basically from those of most of the Mozambican people, President Chissano explained that growth is a long process; it does not happen overnight.

"Back in 1974, during the transition period, I explained to you in this very spot that our problems would not be solved from one day to the next. The situation is difficult and even the efforts which have already been exerted since the proclamation of our independence have not been sufficient to do away with hunger, to provide housing for everyone or to buy the tractors which we need for our farms."

In this regard, the chief of state recalled that, during his first visit to Inhaca, in 1974, the population stood at a little more than 3,000, but today it has already exceeded 6,000 inhabitants.

The wealth of fauna on this island, as well as the need for its conservation and preservation, was another issue to which the Mozambican chief of state referred in his address to the people of Inhaca.

He stressed that the particular and legitimate problems of the people must be reconciled, thoughtfully and correctly, with the interests of the country as a whole--in this particular case [i.e., of the wildlife], in the interest of science itself.

Break the Isolation

In his first official visit to this locality of the city of Maputo, the principal message left by the president of the republic was the need to break out of the isolation that has, to some extent, characterized the relationship between the city structures and this island part of the city.

Basically, most of the problems pointed out either by the residents or the local party and government structures are explained by the somewhat generalized view of Inhaca as "not a part" of greater Maputo, except administratively.

Delayed shipments of supplies and the lack of regular transport to and from Inhaca were among the problems noted. If there is no truck, nothing reaches Inhaca.

During yesterday's visit by the chief of state to the island, it became very clear that many of the officials who accompanied him had never set foot on that parcel of our land, even though it is so close by.

Accompanying the chief of state on this first visit were Alberto Massavanhane, president of the Executive Council of the city of Maputo, and the members of his cabinet; Foreign Affairs Minister Pascoal Mocumi; Julio Carrilho, minister of construction and water; Manuel Antonio, minister of the interior; and Tenreiro de Almeida, secretary of state for fishing.

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CSO: 3442/89

MOZAMBIQUE

TEXT OF NEW AMNESTY LAW PUBLISHED

Maputo NOTICIAS in Portuguese 2 Feb 87 p 1

[Text] The Permanent Commission of the People's Assembly has approved Law No 6/17, of January 1987, which grants amnesty and pardon for crimes and sentences of citizens who are now in prison or who would have been sentenced in trials pending on the date the law goes into effect. The law states that this act of clemency is in celebration of the patriotic engagement demonstrated by the Mozambican people in 1986 and reflects the noble traditions of the FRELIMO party and our revolution, to enable the citizens who are the beneficiaries of the clemency to become involved with renewed vigor in productive tasks, in the process of economic recovery. Following is the text of Law No 6/87.

The realization of the Second General Elections constituted a supreme moment of patriotic affirmation, in the exercise of popular democracy and in the consolidation of national unity.

Enthusiastically, from Rovuma to Maputo, the Mozambican people were able to make a considered choice of their best representatives, those who have always acted in the interests of the workers and in the stubborn defense of the revolutionary conquests.

The success of the elections was the result of proper mobilization and the intense engagement of all the people, of thousands of workers, of the party and government structures, of the mass democratic organizations, of the Mozambican Armed Forces (FPLM) and of the other Defense and Security forces, which, surmounting the problems, ensured that the popular will could be freely manifested in the consolidation of national independence and of the revolution.

The electoral process culminated in the convening of the First Session of the People's Assembly, which was held from 13 to 19 January and in which the highest governing body in our country proceeded to validate the Second General Elections.

In its first session, the People's Assembly reached decisions of importance for our lives and for the building of a better future. Although they call for hard work and sacrifice, the economic recovery measures will ensure an improvement of the living conditions of the people. The measures offer us a prospect

of the development of the society of peace, progress and well-being which we are working to build.

Hence it is important to celebrate the patriotic engagement of the Mozambican people in 1986 with an act of clemency which, reflecting the noble traditions of our FRELIMO Party and of our revolution, will enable citizens who are the beneficiaries of that clemency to engage with renewed vigor in productive tasks, in the process of economic recovery.

Therefore, as provided in Article 44, Line 1, and in Article 51 of the Constitution, the Permanent Commission of the People's Assembly determines:

Article 1.

Amnesty shall be granted for:

1. Fraudulent crimes stipulated in Titles 4 and 5 of the Penal Code, punishable by imprisonment, with or without a fine.
2. Crimes resulting in bodily injury or impairment and like accidental transgressions, except those committed in a state of intoxication while operating a motor vehicle or because of it.

Article 2.

1. Pardon.

- a. Prison sentences of up to 2 years will be pardoned.
- b. One year of a sentence for a longer term will be pardoned, if the prisoner has already benefited from a previous commutation.
- c. Half of the sentence for a longer term will be pardoned if the prisoner has not benefited from a prior commutation.

2. Pardon is applicable to all decisions, even in cases which have not been prosecuted in court.

Article 3.

1. The pardon provided in the present law obeys the following requirements:
 - a. Prisoners who have been convicted of repeated or successive crimes will bear no increased burden of responsibility, nor will recidivist delinquents, vagrants and the like.
 - b. Pardon shall be granted to prisoners who have demonstrated repentance, who have a record of good prison conduct and who are presumed to have abjured crime, as certified in a sworn statement from the director of the penal establishment in which the sentence is being served.
2. Said pardon is granted on condition that, if the beneficiary commits any criminal act within 5 years following his release, he will serve out

the sentence for which he was pardoned, in addition to the sentence for the supervening crime.

Article 4.

1. The terms of the present law do not relieve the individual of civil liability for his act.
2. Civil liability may be claimed on initiative of the complainant by means of a simple petition to the court, in pending cases. In these cases, normal procedures will be followed for criminal prosecution, only for the purpose of evaluating the complainant's claim to compensatory damages.
3. On the initiative of the complainant, the legal briefs in preparation for trial will be completed only for the purpose of establishing the evidence, namely, the facts, the agents, the victims, the complainants and the moral and material damages. When said briefs are completed, they shall be forwarded to the court, in pursuance of the terms established in Article 4, No 2.
4. If the briefs do not provide sufficient facts in evidence, these may be requested or brought forward or the necessary action may be taken to obtain them.
5. Decisions offered in the trials with reference to the preceding numbers in no case constitute a judgment; the complainant must take his suit to the competent civil court.

Article 5.

The benefits of this law extend to defendants who would have been sentenced in trials pending on the date this law goes into effect.

Article 6.

1. This law does not apply to prison sentences for crimes against the security of the people and the people's state, as stipulated in Law No 2/79, of 1 March [1979].
2. Nor does it apply to prison sentences for crimes stipulated in decree laws No 181/74, of 2 May [1974] and 16/75, of 12 February [1975] or in laws No 4/78, of 28 March [1978]. No 1/79, of 11 January [1979], No 1/81, of 2 April [1981], No 5/82, of 9 June [1982], and No 8/82, of 23 June [1982].

Article 7.

This law is immediately in force.

Approved by the Permanent Commission of the People's Assembly.
Marcelino dos Santos, president of the People's Assembly.

So published.

Joaquim Alberto Chissano, President of the Republic.

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CSO: 3442/89

MOZAMBIQUE

CUAMBA ADMINISTRATOR SPEAKS TO FORMER MNR VICTIMS

Laputo NOTICIAS in Portuguese 2 Feb 87 p 2

[Text] Eliado Jossias Mussengue, administrator of Cuamba District, paid a 4-day visit to the locale of Mitetere, where he met with 316 individuals recently released from bandit captivity by our Armed Forces.

During the meeting, the first district secretary of the party in Cuamba was told about the difficult situation faced by the newly liberated peasants.

At that time, Mussengue assessed the circumstances and needs of the recently liberated residents. He recommended that they enrol their children so they would be attending classes during the school year and that they engage more diligently in agricultural production, particularly of sweet potatoes, manioc and other drought-resistant crops, to deal with the famine which Niassa Province is experiencing.

The Cuamba administrator also noted that it is urgent to rebuild the villages there, to bring that area of the district back to life.

The 316 individuals were liberated from the armed bandits on 29 December, when our Armed Forces attacked what was thought to be the bandits' principal camp in Cuamba District, in an operation which also resulted in the death of eight terrorists and the recovery of various belongings stolen from the people, including typewriters and sewing machines, medicines and household utensils.

Meanwhile, according to recent reports from Cuamba, the search-and-destroy offensive is continuing against the bandits, who are now in retreat.

According to the same reports, the military operation in progress there has already liberated about 2,000 people who were living with the armed bandits against their will.

These included old people, women and young children, all completely demoralized, naked, malnourished and suffering from serious ailments.

A local source said the district structures were concerned about the shortage of means to provide minimal support to the people who are being liberated as our military offensive in pursuit of the criminals continues in the jungle.

6362

CSO: 3442/89

MOZAMBIQUE

YOUTH FLOCKING TO SMO CENTERS

Maputo NOTICIAS in Portuguese 2 Feb 87 p 2

[Text] In recent days, youths covered in the present campaign have been flocking to the registration posts created in Maputo Province for the SMO [Compulsory Military Service]. Registration officials whom we contacted reported that although, in the beginning, there was a poor showing of individuals eligible for service, now the number of young people of military age who are reporting to the registration posts is increasing by the day.

Although the recruitment of the young people is considered generally satisfactory, some posts are still reporting poor compliance by citizens covered in the present nationwide campaign, which began on 2 January.

According to some registration agents, although the number is increasing, it is still not satisfactory.

The speakers noted the urgent need for a broader effort to educate and mobilize the youth, as the only way to achieve the goals set for this SMO registration campaign.

In their opinion, "some of the young people are afraid to register because they think this means they will be called up immediately."

"This mistaken idea, which unfortunately is held by some of the young people, can only be dispelled by an intensive mobilization, educational and consciousness-raising effort regarding compulsory military service," said Justino Junior, a registration agent at Post No 7, serving the Machava Administration, when queried by this newspaper.

Asked about the prospects for overcoming this situation, Justino Junior said that the structures of the District Committee, the secretariats of the dynamization groups in the districts and the Mozambican Youth Organization have been responsible for setting up meetings to educate, mobilize and raise the consciousness of citizens of military age, so they will understand the importance of this campaign.

He added that the current flow of individuals to Post 7, for example, is the immediate result of the efforts of the above-mentioned political structures in each of the residential areas.

Francisco dos Santos Miquitaio, chief of the Recruitment Center of Urban District No 8, said that although the registration is still not everything that could be desired, the SMO campaign can be considered satisfactory, considering how difficult it is for the young people to obtain the photographs required in this campaign, as well as other essential documents needed for their inscription.

"But we have hopes that the current campaign will be a success, because we have learned from previous campaigns that citizens eligible for military service only report in large numbers when the campaign is nearing its end. Unfortunately, this makes it difficult for us, because we are forced to work without rest in the final days of the campaign," lamented the chief of the recruitment center in Urban District No 8, which serves the city of Matola, Maputo Province.

From what our reporter could learn, both in Matola and Machava, the numbers of youths registered to date do not represent all the residential areas included in these two urban districts in Maputo Province.

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CSO: 3442/89

SAUDI MUSLIM LEADER LAUDS INTERNATIONAL CONFERENCE IN MAPUTO

Maputo NOTICIAS in Portuguese 12 Jan 87 p 2

[Report on interview with Maneh al-Johani, secretary general of the World Assembly of Muslim Youth; in Maputo on 10 January 1987]

[Text] "The main objective of this conference is, in my opinion, to enable the young Muslims of southern Africa to get to know each other better and to exchange information among themselves concerning their national realities, religious convictions, and social and educational matters." That is what our reporters were told by the secretary general of the World Assembly of Muslim Youth (WAMY), Dr Maneh al-Johani, during an interview on Saturday afternoon.

Al-Johani did not take part in all the work of this fifth international congress, which was held in Maputo, but he received excellent impressions of the high level of the debates held by the young people of southern Africa.

Al-Johani also said that the political changes that have occurred in this part of the continent have also enabled Islamism to express itself with religious conviction that is worldwide in scope [remainder of sentence missing].

Although this is the first time he has been in Mozambique and does not speak Portuguese, the religious leader of Muslim young people said he could see that Mozambican Muslim young people show a high degree of commitment in their activities.

Asked whether he did not consider the need for patriotic affirmation as a form of expression and political choice incompatible with religious faith, al-Johani said that the most important thing is respect for the convictions of the people and that he considers the Mozambican Government's approach to Islamism to be a wise one.

"It is not a matter of antagonism but of a mutually beneficial approach," he said, adding that for Mozambican Muslim young people, that freedom "will lead them to have an even greater respect for the institutions of government and to work even harder for the country's benefit." He emphasized: "We are very appreciative of this attitude of cooperation on the part of the Mozambican Government."

In his opinion, education and religion were the two major topics discussed at this fifth international conference. Transmitting its experiences to the rest of the world's Muslim young people is the next step. He said: "If that is done, it will be a very good thing."

The level of understanding among young people from different countries in this part of the continent who share the Islamic faith was considered very good. Al-Johani told us: "Any government in the world must be concerned about its young people and allow them a free hand so that young people can develop and, in that way, develop their country."

Asked whether he would not like to visit the northern part of our country, where Islam is strongest, al-Johani said he would like to but is unable to do so, at least during this trip, which is his first to Mozambique, because of his numerous international responsibilities.

He said, however, that he had been informed of the existence of such disastrous situations as drought and flooding in certain parts of our country and expressed a willingness to provide help in whatever form necessary--food, clothing, and so on--within the limits of his organization's capability.

Al-Johani, 45, is of Saudi origin. He is married and is the father of five boys and four girls. He teaches English linguistics at King Saud University in Riyadh. He is also secretary general of the WAMY, as we said above.

11798
CSO: 3442/74

DANISH GROUPS FINANCE CHAMANCULO HOSPITAL REHABILITATION

Maputo NOTICIAS in Portuguese 13 Jan 87 p 2

[Article by Ernesto Zucule]

[Text] A project for rehabilitating the Chamanculo General Hospital, which is one of the oldest hospital facilities in the country's capital, has been underway for 3 months. It is being carried out by HIDROMOC [State Hydraulics Enterprise]. The construction work, which will cost thousands of contos in meticals, will include the installation of new pumping systems, an overhaul of the drains, complete replacement of the plumbing system and sanitary fixtures, and a general painting of all the facilities. The work should be completed by the end of June this year, according to Andre Mapanzene, general manager of the State Hydraulics Enterprise.

The project was financed by two Danish organizations--the Danish Association for International Aid and the WU of Denmark--which have taken responsibility for sending to HIDROMOC, as a gift, all the necessary equipment and construction materials: water lifting pumps, sanitary fixtures, mosquito nets, paint and brushes, pipe for the plumbing system, and all other materials which the enterprise carrying out the project is unable to manufacture or to purchase easily on the domestic market.

One of the most important phases of the project--one having to do with the installation of new water tanks and general replacement of the pipes in the plumbing system (which is now very old and, in some places, clogged by corrosion)--is half completed, and it should be possible within 3 months to begin supplying water to one of the hospital's most critical sections, the maternity unit. Incidentally, all the work began in that unit, where new mothers have only the water brought in by their relatives.

According to information from the Directorate of the Chamanculo General Hospital, the water problem has been making itself felt for 5 years and has grown worse recently due to the steady deterioration of the plumbing system and the absence of the minimum pressure needed to supply water to a number of essential units. The source said that the stomatology unit and other departments have been closed because of the lack of water. Although the same thing has not yet happened to the maternity unit--chiefly because relatives of

the new mothers always bring some water (the potability of which must in some cases be doubted)--the fact is that "the situation is one of the most difficult we are facing at the moment," the same source added.

To alleviate the serious situation in the maternity unit, which, since it cannot handle 50 cases a day (its nominal capacity), is often called upon to treat urgent cases from other, smaller hospitals, the work of replacing the plumbing and installing new sanitary fixtures is scheduled for completion within 3 months, according to the technical team working on the site.

Project and its Origin

The execution of this project by HIDROMOC is the result of a contract signed with the health authorities and the financing agencies. It all began in the middle of last year, when HIDROMOC was visited by experts from DANIDA [Danish International Development Authority], with which it has ties of cooperation.

When they returned to their country, they offered to provide HIDROMOC with financing to improve conditions in the hospital, and eventually they agreed to defray the cost of a general rehabilitation project including the installation of new sanitary fixtures, painting, the replacement of mosquito nets, and other matters.

The materials were shipped last December for starting this project, which, although long yearned for, was still far from being carried out because of the serious economic difficulties being faced by the country.

Successful completion of this project will mark HIDROMOC's first venture beyond the water supply projects for consumption and irrigation which constitute its normal field of activity and its specialty.

Some Innovations and Technical Data

The major new feature to be introduced in the water supply system will be the automatic pumping system, which is thought to be the only such system ever installed in a hospital in our country. According to HIDROMOC's management, the intention is to completely renovate the look of one of the capital's oldest hospitals, some of whose buildings date back to the 1940's and 1950's. Some parts of it, such as the pipes and fixtures in its plumbing system, have never been replaced.

Two water tanks with a total capacity of 40,000 liters have now been installed, and preparations are being made to install the lifting pumps, which will provide a pressure system making it possible to distribute that important liquid throughout the hospital, which by now has expanded to cover an area of approximately 1,200 square meters.

Meanwhile, small civil construction projects are being carried out, along with replacement of the entire plumbing system and the installation of sanitary fixtures.

Inside the hospital itself, a small storage area has been set aside to hold the material received from Denmark for carrying out the project. Whatever is left over after the work is completed will belong to the hospital.

Under the terms of the agreement signed between the financial backers and the enterprise responsible for carrying out the project, health authorities will be responsible only for paying the wages of the technicians and all the manpower employed in doing the work.

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CSO: 3442/74

MOZAMBIQUE

MINISTER OF INDUSTRY DISCUSSES PRE IMPACT ON INDUSTRY

Maputo NOTICIAS in Portuguese 14 Feb 87 p 3

[Text of interview with Antonio Branco, minister of industry and power, by NOTICIAS, date and place not given]

[Text] Antonio Branco, Mozambican minister of industry and power, said the government would not look with indifference on the layoffs of company workers because of the reorganization of the labor force, which is included in the new Economic Recovery Program [PRE] measures in effect in the country. According to the minister, the government will always seek out proper employment for this force at the first opportunity and will try to mobilize other support, particularly in the international community, to place these individuals in various sectors of activity.

In the interview granted to this newspaper, Minister Antonio Branco said, however, that it is not the government's responsibility to rehire all the individuals affected by the reorganization measures, but he added that "the state is going to assist these companies, in coordination with others, to relocate these workers."

During the interview, Antonio Branco brought up many other issues relating to the impact of the economic recovery measures on the industrial area. Following is the text of the interview.

NOTICIAS: Mr Minister, it has been said that one of the basic objectives of the new price policy is to bring the profitability of most of the companies up to the present levels of utilization of capacity, productivity and management. If such an objective is achieved, won't it tend to perpetuate the present levels--generally low--of management and productivity?

Minister of industry and power: As has been said many times, in this phase the objective of these measures is to stanch the hemorrhage of the economy, to bolster the sagging economic activity, particularly industrial activity, with a view to gradually bringing up the levels of industrial production and productivity.

To ensure this, it is necessary to consider a combination of policy measures in several areas. It will not be through the price policy alone, but also through other sectoral policies, namely, the credit policy, the regularization of manpower and wages, tax measures and others, such as the trade policy, the new

mechanisms for economic management and so on. So it is the application of these measures in combination that will enable us to curb the current declining trend in productivity and to begin gradually to restore that productivity. Basically, these measures should show results at three levels:

- In improved management of the companies;
- In increased production and productivity;
- Greater profitability of the companies.

It is in this context that we are going to look at how the price policy works. It works as follows: the merchandise will be sold at prices that take into consideration the real costs [of production]. The price measures will make the price policy in effect up to now more flexible. In other words, the number of products whose price is set by the state, specifically by the Council of Ministers and the National Wage and Price Council, will be limited to strategic products to supply to the people, basic materials for commercial agricultural production and some products and services which are essential to the economy, namely in the area of transportation, energy, water and so on.

Together, these products and services constitute the basic group which will determine the elevation of price levels. With regard to the others, in the recent measures, it was decided to make these prices conditional; that is, the prices will be established at the level of the production sectors, by the companies, according to standards that the government will publish soon, so as to allow the managers to bring prices up to production costs at normal levels of productivity.

Naturally, the company managers will have other mechanisms to encourage increased productivity. I should note that the managers will have greater authority, within the framework of the wage policy, to remunerate the most productive and skilled work crews and workers.

It is true that the managers will also have greater ability to adjust their manpower to the real needs of the companies. This will have an effect both on productivity and on costs.

One point which will also foster better management is that it will no longer be easy to obtain credit. Credit will be granted based on the profitability of the companies; it will no longer be used to subsidize companies which are running up deficits. This means that the managers will also try to ensure, on one hand, that they have some working capital, because credit will be more expensive and the managers know that the bank will be much stricter in granting credit.

Naturally, all this depends on the levels of supplies to the companies themselves. For this reason, in conjunction with these measures, the state is taking action to mobilize additional support for the Mozambican economy from the international community and even internally, through the mechanism of high prices to the producers, to stimulate increased agrarian production. The currency devaluation measure itself will add to the profitability of companies

which export. Also, the increased exports will make it possible to purchase more supplies for industrial units.

In cases where this is impossible, the company managers have mechanisms that will enable them to reduce costs, to bring their costs into line with the level of activity of their companies. Also, given the serious situation confronting the country, the state will, in some cases, continue to consider the possibility of granting subsidies--not through bank credit, but through the state budget, which includes a sum, albeit limited, for this purpose. The purpose of this is to support companies which it is important to keep in operation and which, even by exhausting all their resources, cannot do so.

Price Increase

NOTICIAS: Couldn't it happen, on the other hand, that the new burdens will force companies, in many cases, to charge prices that the market cannot bear? What will happen in these cases?

Minister: It is important for the companies to earn receipts to provide them with working capital, and this will obviously lead the companies to raise their prices.

Naturally, the state is establishing some standards; it is going to define rules to prevent the companies from raising prices indiscriminately. In the second place, the state is always going to check these prices against the going prices for similar products in the region--in Malawi, Zimbabwe, Tanzania--to ascertain if the product is maintaining its competitiveness in the region. This is one element which we will use to control and correct prices on the domestic market.

As you know, the big issue is not the increase in the official prices. The big problem is how to act so as to reduce the weight of the black market and, to this extent, even to reduce the quantity of goods that are diverted to that market, so that people will be able to obtain them on the legal market; even if it is at a higher price, it will still be less than the black market price.

Although it is significant in itself, the price increase is linked to measures that have already been taken and others that will be introduced to act against the parallel market. Naturally, however, Mozambican industry, which is dependent on imports, will have higher costs, given the need to establish a more correct currency parity.

Industry Not Put on Hold

NOTICIAS: The Economic Recovery Program places major emphasis on development of the rural economy. Does this mean the industrial sector will have to mark time? And if so, what will this waiting mean in terms of the profitability of the companies in this sector?

Minister: In fact, the basic objective of the PRE is the development of the rural economy, the vitalization of rural marketing, support and added assistance to the family sector and for agricultural products for export. This is not

incompatible or inconsistent with the need to bring up production levels in the nation's industry.

For the relaunching of agricultural production in the family, cooperative, private or state sectors, it is vital that the state be in a position to place merchandise and [manufactured] products in rural areas, for sale or barter, to encourage the production and marketing of agricultural products.

Well, these products for barter are obtained two ways: importation and domestic industry. In this context, the government is going to set up an Agricultural Marketing Fund this year. A certain amount of merchandise will be allocated for sale in rural areas so as to achieve higher levels of agricultural production than we have had up to now. In this regard, the PRE and the PEC/87 [State Central Plan/87] provide for levels of supplies of materials for industry, giving priority to light manufacturing and food industries, consumer goods for barter, as well as farm implements and other complementary manufactured products. Some growth is also planned for industrial production in 1987, which illustrates that the two goals are not incompatible, but complementary.

Reduction of Labor Force

NOTICIAS: Is it foreseen that many companies will close their doors as a result of the new economic measures? In that case, are there any plans for relocating the workers who will be laid off?

Minister: What is happening now is that manufacturing companies have already shut down. We had a situation, particularly in 1984 and 1985, when a significant number of workers quit their companies because there was little prospect of any activity in these companies and they were having difficulty meeting their payrolls, etc. So it happens that, even in 1986, there was a reduction of the labor force compared to 1983. Naturally, the new economic measures will require a reorganization of other companies and, for some of them, this will mean a manpower readjustment.

The Labor Law itself and the regulations which have come out now provide for proceeding in this manner. Some companies will have reductions in their labor force. In this case, there are mechanisms provided by law, such as prior notice, severance pay and so on. As long as there is no significant reduction in staff, this process usually take place without major social problems.

When the reorganization of the companies involves a larger number of layoffs, the government is aware of this and will not view the dismissal of large numbers of workers with indifference. It will try to assist these companies, in coordination with others, in relocating these workers. We already have such a case: Quimica Geral, which had to reduce its labor force and when these workers were laid off, they were all absorbed by other companies. There are always immediate needs for industrial workers and an attempt will be made to place them in industry first. Others may prefer to return to their places of origin or move into another type of activity, namely in the agricultural sector.

The state will always try to absorb these workers, as a first possibility. Naturally, it cannot assume responsibility for rehiring everyone. What the

state is attempting to do is to mobilize support, from the international community as well, particularly for agricultural activity, to create employment opportunities in the agricultural sector in Maputo and other provinces of the country.

Prospects for Industry

NOTICIAS: What, generally speaking, are the prospects for the industrial sector with regard to the PRE? What measures are being taken or will be taken to meet the objectives of the PRE?

Minister: The industrial sector must first curb the declining production observed since 1981. This decline was practically halted in 1986 and it is vital that this effort be continued in the next few years. Thus, the program has various types of measures and the state, through this ministry, is responsible for carrying out the reorganization of the companies, promoting better management. To this end, the state is creating mechanisms which will give the companies greater autonomy, greater responsibility, including greater incentives to the companies in terms of their receipts. In the context of the PEC, and within the general lines of the PRE, priority has been given to some areas of industry which I mentioned earlier, such as the food industry and light manufacturing; specifically, textiles, clothing, shoes, oils, soaps, farm implements and metal and plastic household utensils. We are talking about bicycles, pastas, flours and such complementary products as glass containers, paper and cartons, which will merit greater priority, independent of the support to other areas.

Although there are still many problems in ensuring the availability of materials for the operation of these companies, there has been a concentrated effort to give priority to these sectors of light industry. It is possible that, with the measures now introduced and with improved management, we will begin to see a slight recovery of industrial production. The basic objective is to achieve major growth in the next phase.

Another important point, within the context of the PRC, is that the leading companies and sectors in industry give particular attention to investments in the rehabilitation, replacement, maintenance and modernization of equipment, to improve productivity and to extend the useful life of the existing industrial units. This is a crucial point. Along with this, and basic to the success of the program, are the activities pertaining to the professional training of technical cadres and workers in the industrial sector. Steps are being taken to intensify the efforts in this area so that, at short and medium range, we will see a growth in industrial activity.

6362

CSO: 3442/98

MOZAMBIQUE

NEW PIPES FOR MAPUTO WATER SUPPLY

Maputo NOTICIAS in Portuguese 2 Feb 87 p 2

[Text] The Maputo Water Supply Company is carrying out a rehabilitation program, consisting in reinforcing and replacing old pipes at various points in the nation's capital. According to Pascoal Vas, director of the company's Department of Operations, the primary objective of this project is to increase the water pressure and improve the water supply to the residents of various areas in the city of Maputo. In the first phase, about 65,000 customers will benefit from the project.

The work now in progress consists in reinforcing the galvanized cast iron pipes, most of which are now encrusted, reducing their diameter and causing ruptures.

According to the director of operations for the city's water supply company, the project was begun in December 1986, starting with the reinforcement of the pipes installed in Julius Nyerere and Karl Marx avenues and Rua da Resistancia.

Pascoal Vaz reported that a 150-millimeter pipe had already been set in place along Avenida Emilia Dausse, which permitted the laying of more branch lines at the intersections of this avenue. This work resulted in increased water pressure and hence improved the water supply to that area of Maputo.

Areas to Benefit

In this first phase, new pipe will be laid along Avenida Eduardo Mondlane [from] the intersection with Avenida Vladimir Lenine to the zone of the Coop district.

When the pipe is in place, it will be possible to increase the pressure in the galvanized conduits already existing in the areas around these two avenues and in the other pipes with a smaller diameter.

This newspaper has learned that Hulene District will also benefit from the placement of a pipe with a larger diameter, since that residential area is now served only by a branch line, originally planned to supply water to a commercial establishment. At this time, the water supply is inadequate in that area, because the branch line cannot withstand very much pressure.

The installation of this new pipe will mean water for the residents of Hulene District.

Triunfo and Costa do Sol districts will also benefit from the program, alleviating the water shortage in those zones of Maputo. With particular regard to Triunfo, the district has been served by a well, which is now silted up. This well formerly served as an auxiliary water supply for the regular system.

In Maxaquene District, the pipe will be reinforced, so as to regulate the variations in pressure which occur in several areas of the district, thus benefiting a large number of residents.

The city of Matola is not included in this program, because the problem of pipes and pressure has been alleviated there; it is now grappling with the problem of hours of distribution, because this is generally a short period.

Project Essential

Queried about the existing materials and conditions for completion of the project, the Maputo Water Company's operations director complained: "One of the principal problems--our Achilles' heel--is the lack of materials and parts, which are imported and which we are receiving irregularly and in very small quantities from EQUITEC [Industrial Equipment and Supply]. As a result, our work is constantly interrupted."

He added that the company is mainly confronted with the shortage of bolts for the rings at the pipe joints.

There is a shortage of bolts, sheet metal and tools, which must also be imported. This has meant that the work has often been performed with tools invented by the workers themselves, which jeopardizes the quality and security of the repairs. Although the workers are skilled, they are more productive when they work with conventional and standard materials and tools.

6362

CSO: 3442/89

MOZAMBIQUE

BRIEFS

GEOLOGY, MINES INSTITUTE FOR TETE--The Institute of Geology and Mines, for the training of cadres in the sector, will be inaugurated next year in Tete Province, it was announced by John Katchamila, minister of mineral resources, during the opening session of his ministry's National Coordination Council, which began on Wednesday in the nation's capital. Sources in the ministry argue that the Institute will contribute largely to improving the knowledge of the existing workers in this branch and will also train new entrants. As noted in the opening session, up to now most of the cadres in this sector have received their basic, intermediate or higher-level training abroad. According to ministry sources, it is planned to select some of these cadres who have returned to Mozambique to form the Institute's body of instructors. International cooperation is not ruled out, as evidenced by the fact that some contracts are under negotiation, both to finance the execution of some projects and to hire skilled manpower to ensure the full realization of the activities of the ministry. According to some participants in the meeting, the choice of Tete Province for the Institute of Geology and Mines is of particular interest, considering the mineral potential of the province. [Text] [Maputo NOTICIAS in Portuguese 13 Feb 87 p 1] 6362

CSO: 3442/98

HERALD CRITICAL OF U.S., UK VETO OF SANCTIONS

MB271123 Harare THE HERALD in English 23 Feb 87 p 6

[Editorial: "Veto Sabotage"]

[Text] The irresponsible manner in which some Western countries have continued to flaunt their power in the Security Council of the United Nations does not augur well for world peace and stability.

Small wonder then that each time a veto is cast to kill a resolution on a matter of crucial significance to mankind, the rest of the progressive world has reacted with shock and disbelief.

The latest irrational use of the veto was demonstrated by the United States and Britain on Friday over a resolution by a group of Non-Aligned countries led by Zimbabwe, which is current chairman of the NAM [Non-Aligned Movement], to introduce mandatory sanctions against South Africa.

The U.S. veto lays bare the continuing division between the Reagan administration, which has always opposed any punitive action against Pretoria, and the American masses who see sanctions as a means to force an end to apartheid.

The British veto confirms that Margaret Thatcher's blind support for the racists in Pretoria has not changed, while the Federal Republic of Germany, by voting against the resolution, made known its ardent desire to protect its capitalist interests in the land of apartheid, and in Namibia, indefinitely.

The decision taken by France and Japan, the other industrial powers, to sit on the fence over an issue of such importance by abstaining from voting, should not be allowed to deceive anyone. It is merely a tactical move whereby the two countries have reserved the right to deal with the boers as they please.

But we take our hats off to Italy which, by voting for the resolution, has stood up to be counted with those other countries which want to see a speedy solution to the South African crisis and forestall a bloodbath.

Thus the actions of the other Western countries over the sanctions issue--whether intended against the Non-Aligned Movement or against sanctions--reveal the blatant hypocrisy of these same countries which claim to favour peaceful change in South Africa above violence.

They can therefore be lumped with the enemy at whose hands not only blacks in South Africa itself have suffered, but all of us in the Frontline States as well.

Even more disturbing is the fact that the veto and the other measures which we consider to be complementary to it, have come at a time when P.W. Botha, the apartheid president, has slammed the door in the face of blacks saying he sees no role for them in parliament or government.

Worse still, the veto was cast at a time when the boers are preparing for an all-white election, so nothing could be a bigger morale booster for Botha and his cronies.

For the rest of the progressive world the alternative now is to intensify the liberation struggle in South Africa and Namibia alongside whatever sanctions are in force.

As for the UN, it might do well to ask itself what purpose it thinks it is serving by allowing the vetoing in its Security Council of peaceful measures intended to end some of the root causes of conflict in the world.

/8309

CSO: 3400/150

ZIMBABWE

BRIEFS

YOUTH UNEMPLOYMENT--The minister of youth, sport, and culture, Comrade David Karimanzira, says the government is concerned with great unemployment in the country and has adopted a variety of measures to tackle the problem. Speaking at the official launching of a youth project in Mashonaland East yesterday, Comrade Karimanzira said 65 percent of Zimbabwe's population is made up of young people below the age of 30, most of whom are unemployed. In Mashonaland East Province alone, there were more than 160,000 young people, of whom 70,000 were unemployed. [Summary] [Harare Domestic Service in English 0600 GMT 27 Feb 87 MB] /8309

CSO: 3400/150

PIK BOTHA SAYS 'VENDETTA' POSTPONED BY UN VOTE

MB210435 Johannesburg SAPA in English 0243 GMT 21 Feb 87

[Text] Pretoria, 21 February, SAPA--The minister of foreign affairs, Mr Pik Botha, said early today that the vote in the UN Security Council last night on a resolution which would have imposed sanctions against South Africa had run its course (verloop) as had been expected--except for the vote that had been brought out by Italy.

Mr Botha, in response to enquiries regarding the vote, said he was convinced that there were thousands of South Africans of Italian descent, who, like himself, were astonished by the fact that Italy had voted in favour of the proposed sanctions. Mr Botha said he would, obviously, contact his Italian Government.

The minister said the international vendetta against South Africa had only been temporarily averted (afgeweer) by the vetoes which had been exercised by the United Kingdom and the United States. He expected that new plans were already being formulated to instigate world-wide sanctions against South Africa and that SWA/Namibia would possibly be used in an endeavour to bring this about.

Mr Botha said the strongest attempt to counteract the onslaught of sanctions was a united voice of all moderate South Africans who in no uncertain terms must let the world know that South Africans themselves, would decide about their futures, and that they would not be prescribed to, especially by countries where there were no indications of a semblance of democracy.

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CSO: 3400/114

SOUTH AFRICA

PIK BOTHA WARNS AGAINST TRAVEL IN SOUTHERN AFRICA

MB271305 Johannesburg SAPA in English 1303 GMT 27 Feb 87

[Text] Pretoria, Feb 27, SAPA--South Africans visiting southern African countries were warned today that the issue of visas by these countries was not guarantee that they would not be arrested or held on suspicion of espionage, the minister of foreign affairs, Mr Pik Botha said today.

In a statement released by his office in Cape Town, Mr Botha said that with the exception of Malawi, Lesotho and Swaziland, he recommended that visitors to other countries conduct themselves in the following manner:

--Tourists should only go on organised tours or in largish groups. The travel agents who organize such tours must possess official recognition from the government of the country being visited that they are trusted to have only bona fida holidaymakers included on the tours.

--South African businessmen, or those carrying out any work of any nature, must establish beforehand through the company in the country concerned from the relevant government body that their visit is known of and that there is no suspicion against the visitor.

--Visitors to family or friends must ask their relatives to supply their full particulars to the relevant authorities and establish that there are no objections or suspicions against them.

--All visitors must declare such equipment as cameras, video cameras, radios and taperecorders; and they must ensure that they take no equipment which could in any way arouse suspicions that the owner was engaged in espionage. This includes unusual watches, fountain pens or similar items.

--Under no circumstances must firearms or ammunition be taken unless the relevant permits have been secured in advance from the authorities.

--Visitors must also avoid taking photographs or video recordings of structures such as buildings, roads, bridges, dams, airports, railway stations, factories, mines, etc., which might give rise to suspicion that it is being done for espionage. If a visitor is in doubt he should not take the photograph, Mr Botha said.

TWO MORE NP MEMBERS TO STAND AS INDEPENDENTS

MB230857 Johannesburg SUNDAY TIMES in English 22 Feb 87 p 2

[By David Jackson]

[Text] Another two dissatisfied National Party members have announced their intention to stand as Independents in the May election.

Dr Johan Blignaut, a 37-year-old Richard's Bay veterinarian, is to stand against Mr Willie Heine, the current National Party MP in the Unfolozi constituency, on a "reformist" platform, although he has no association with Mr Wynand Malan and Dr Denis Worrall, also National Party dissidents.

And in Cape Town, Mr Terry Theunissen is to stand in the Claremont constituency, currently held by PFP member Mr Jan van Eck.

So far four independents have announced they will be standing in the May election. A fifth, Mr Horace van Rensburg, of Bryanston, is expected to announce his candidacy soon.

PFP Secretary-General Robin Carlisle announced at the weekend that the PFP would not be prepared to stand back for independent candidates in constituencies where PFP nominations had already been made.

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CSO: 3400/114

HEUNIS TERMS INDEPENDENTS 'DIVIDING FACTOR'

MB011929 Johannesburg Domestic Service in English 1915 GMT 1 Mar 87

[Text] The leader of the NP in the Cape, Mr Chris Heunis says the fact that independent candidates, without any apparent association, are standing in the general election, does not promote their stated objectives. Mr Heunis, who is also minister of constitutional development and planning, was commenting on the announcement that a businesswoman and former academic, Dr Esther Lategan, is to stand as an independent candidate at Stellenbosch against Mr Piet Marais of the NP. Dr Lategan is the daughter of former NP Mp for Paarl, Mr Wynand Malan.

Mr Heunis said that the NP's point of view was that the general election dealt basically with reform. The party's mandate included a request to continue reform within the possibilities of South Africa realities. He said that, individually and jointly, the independent candidates represent a dividing factor in the process of reform and in reformist ranks. Therefore, their actions raised serious questions.

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CSO: 3400/148

ARMY COMMANDER CALLS SADF 'CREDIBLE DETERRENT'

MB261734 Johannesburg Television Service in Afrikaans 1600 GMT 26 Feb 87

[Text] The chief of the army, General Jannie Geldenhuys, says there is false view of the country's security situation. Speaking during a British-South Africa Trade Organization luncheon today in Johannesburg, he said there are those who think that the collapse of the country was imminent. General Geldenhuys said these views urgently need to be corrected. He said the army is capable of protecting South Africa.

[Begin Geldenhuys video recording] There is always the potential threat of a military adventure from outside across our borders, but we do not see such an event happening at present or within the foreseeable future. There are many important reasons for this. One of the reasons is that in the SADF and the security forces in general we have a very credible deterrent. We must retain that deterrent or the threat will increase. We are planning to have a strong defense force without substantial demands on the country's finances.
[end video recording]

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CSO: 3400/148

SOUTH AFRICA

BRIEFS

TWO MORE QUIT NATIONAL PARTY--Two more Stellenbosch academics have resigned from the National Party. Professor Julius Jeppe and Professor (Hennie Skutters) say they have resigned from the party in support of independents Denis Worrall and Wynand Malan. Their decision follows the success of Dr Worrall's address in the Stellenbosch town hall on Thursday night. The two joint fellow Stellenbosch academic and long standing member of the National Party, Sampie Terreblanche, who left over a week ago. [Text] [Umtata Capital Radio in English 1600 GMT 28 Feb 87] /8309

FINANCE MINISTER SUBMITS ADDITIONAL BUDGET--The minister of finance, Mr Barend du Plessis, submitted an additional budget of nearly 2 billion rands in parliament in Cape Town this afternoon. Speaking during a joint session of the three houses of parliament, Mr du Plessis said that about 696.5 million rands of the amount had been spent on the stimulation package announced in the main budget last year. One hundred and three million rands had been allocated for the transfer of the railway police to the South African police. However, the 2 percent cut in the expenditure of certain services announced last year, which had amounted to 561 million rands, had been added. This brought the total amount of the adjusted additional budget to 1,709.5 million rands. [Text] [Johannesburg Domestic Service in English 1600 GMT 19 Feb 87] /8309

342 GRANTED RELIGIOUS OBJECTOR STATUS IN 1986--House of Assembly, February 26, SAPA--A total of 340 national servicemen applied for, and 342 were granted, [figures as received] the status of religious objectors in 1986, the minister of manpower, Mr Pietie du Plessis, said today in written reply to a question from Mr Graham McIntosh (PFP Pietermaritzburg North). The majority of them--228--were Jehovah's Witnesses. One belonged to the "Border of the Sublian Faithists," Mr du Plessis said, and one did not belong to any church. [Text] [Johannesburg SAPA in English 1154 GMT 26 Feb 87] /8309

DEPUTY DEFENSE ON 'REVOLUTIONARY ONSLAUGHT'--The deputy minister of defense, Mr Wynand Breytenbach, says the government is committed to negotiating a new dispensation for South Africa. Addressing the Organization of Thinking Students at Free State University in Bloemfontein, he said the claim that violence was necessary to speed up the process was invalid. He said the ANC and other organizations had rejected peaceful negotiation and power sharing by advocating violence and intimidation. Mr Breytenbach emphasized that while South Africa was not involved in a revolutionary war, there was a revolutionary onslaught on all power bases in the country. This onslaught had intensified and South Africa dared not follow the path of Nicaragua, Afghanistan, Angola, or Mozambique. Mr Breytenbach said the state of emergency was part of the process of reform because prosperity was impossible without stability. [Text] [Johannesburg Domestic Service in English 0500 GMT 26 Feb 87 MB] /12232

INDENMITIES AFTER POLICE ASSAULTS--Parliament, 20 February, SAPA--Members of the public were paid a total of R1,209,780 as a result of assaults by police, the minister of law and order, Mr Adriaan Vlok, said today. Replying to a question by Mr Tian van der Merwe (PFM Green Point), he said the amount was paid in respect of 124 complaints from shooting accidents and injuries sustained from police dogs. There were 79 complaints of wrongful arrest and resulted in the police paying out R196,723. [Text] [Johannesburg SAPA in English 1522 GMT 20 Feb 87 MB] /12232

PARLIAMENT ADJOURNS FOR CAMPAIGNING--Parliament adjourns today for an 11-week break to enable the House of Assembly to hold a general election. A number of members of Parliament have left for their various constituencies to begin their election campaigns in earnest. The House of Representatives and the House of Delegates completed their business last week. At least 26 MP's took their seats in Parliament for the last time today because they are not available for reelection. At least six constituencies are vacant after the retirement of several cabinet ministers last year. [Text] [Johannesburg Television Service in English 1600 GMT 23 Feb 87 MB] /12232

NEW FOREIGN MINISTRY DIRECTOR GENERAL--A deputy director general of foreign affairs, Nel van Heerden, has been appointed director general. Mr van Heerden replaces Rae Killen, who had been appointed ambassador to London. Mr van Heerden has done service in Japan, the Republic of China, Iran, the United States, and West Germany. [Text] [Umtata Capital Radio in English 1400 GMT 25 Feb 87 MB] /12232

P.W. BOTHA STRESSES NATIONAL WILL--The state president today awarded two new orders, the Order of the Southern Cross and the Order of Excellent Service, to 36 prominent South Africans in Cape Town. Bishop [Saack Mokwena, cofounder of the United Christian Conciliation Party, is the first blackman to be awarded the Order of Excellent Service. [Begin Botha video recording, in English] I am convinced that the Republic of South Africa has the ability and the resources to overcome any adversity which now face and which may face us in the future. We can do this by fostering and developing a national will and by utilizing our human and natural resources in a way that will make South Africa self-sufficient in as many areas as possible. The recipients of these high honors and thousands of others in our country having their various ways proof in this to be possible. [sentence as received] [End video recording] [Excerpt] [Johannesburg Television Service in Afrikaans 1800 GMT 25 Feb 87 MB] /12232

SOUTH AFRICA

BOYA LAUNCHES NEW BLACK URBAN COUNCILS GROUP

MB281647 Johannesburg SAPA in English 1644 GMT 28 Feb 87

[Text] Johannesburg, Feb [no day] SAPA--The Urban Councils Association of South Africa has failed to bring its councillors closer to the black community, newly elected president of the United Municipalities of South Africa [UMSA], Mr Tom Boya said at UMSA's inauguration today.

Mr Tom Boya, who is also the mayor of Davyton, told over 200 councillors from 26 councils in South Africa the establishment of UMSA had stemmed from the councils involvement in black local authorities.

"While we agree with the radical organizations that we as blacks must be represented at the highest level of government, we cannot accept it is wrong to make use of the existing system of black municipalities. It is the only system of government at local level which can be relied upon to serve the immediate local needs of any community," Mr Boya said.

Mr Boya added UMSA would not condone violence and would champion the cause of moderation in pursuit of liberation for all people of South Africa.

"Various radical organizations have maintained our participation in black local government equals collaboration. We at UMSA condemn such propaganda. Collaboration can only take place at councils which are weak enough to be manipulated by the government," stated Mr Boya.

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CSO: 3400/147

ALL BLACK SCHOOLS REOPENED BY DET

MB271458 Johannesburg SAPA in English 1455 GMT 27 Feb 87

[Text] Pretoria Feb 27 SAPA--All black schools which were closed during the unrest last year have been reopened, Department of Education and Training liaison officer, Mr Peter Mundell, said today.

The last two were reopened last Monday at Duncan Village, in the eastern, Cape, he said.

Some 73 schools, including 10 in Soweto and two in Katlehong, were closed after a spate of boycotts.

The Department of Education and Training (DET) has gradually been reopening them since the present academic term began on January 7.

However, no pupil from Soweto has yet been given government approval to enrol at a high school in the Indian township of Lenasia.

The delay in processing applications has aroused controversy in the Indian and African communities.

Transvaal Indian Congress yesterday published a full-page advertisement in a Lenasia newspaper calling for schools to be opened to all.

The advertisement was signed by 41 organisations, representing a broad spectrum of political, religious, welfare, labour, youth and sports organisations.

The advertisement said the House of Delegates, which controls Indian schools, had claimed its schools were open to all.

This year, about 300 African pupils had applied for admission to high schools in Indian townships.

Mr A.k. Singh, executive director in the Department of Education and Culture in the House of Delegates, has pointed out that the Indian education minister has approved "in principle" the admission to black pupils to Indian schools.

However, such admissions would be governed by "availability of accommodation."

He claimed some Africans had been admitted, but declined to say to which schools.

ALEXANDRA TOWNSHIP SAID BATTLEGROUND BETWEEN SADF, 'INSURGENTS'

Johannesburg BUSINESS DAY in English 13 Feb 87 p 3

[Article by Siphon Ngcobo]

[Text] **SUSPECTED** trained insurgents and the SA security forces are engaged in a deadly cat and mouse game to control one of South Africa's oldest townships, Alexandra, north of Johannesburg.

With one white businessman already murdered in the crossfire, industrial and commercial concerns bordering this area share the thought uppermost in township residents' minds — where will the Soviet-armed group strike next?

The killing of Portuguese shopowner José Manuel Alves Coelho has shocked the white business community of Wynberg, an industrial area bordering on Alexandra.

A tense atmosphere hangs over this area since the death of Coelho, who was gunned down with a Scorpion machine-pistol in daylight by two men while busy at his shop, Ace Fast Foods.

Members of the SADF have on several occasions narrowly escaped death when unidentified people fired shots at them.

In the first attack on December 15 last year, a man brandishing a Scorpion fired 14 shots at an SADF patrol vehicle, seriously wounding army Corporal Gary David Orwin.

Another member of the SADF shot and wounded with a Scorpion was Corporal A Pearce.

The attack on Pearce took place on New Year's Day.

A municipal policeman was wounded by a Scorpion in an exchange of fire on January 10.

Ace Fast Foods is now deserted.

Other business-owners in the area would also either not talk or expressed fear and concern about the situation.

Police do not believe the attackers are trained guerrillas. They think the armed men are just ordinary criminals, thugs.

But the whispers in shebeens are that these are trained insurgents who have set up a base in Alex.

□ SOPHIE TEMA reports that an increasing number of attacks on bus drivers forced Putco to withdraw its services from Alexandra from Monday this week.

Pat Rogers, executive public relations officer for the company, confirmed yesterday that Putco had pulled its services out of the area except between 3.30am and 8.30am every day.

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CSO: 3400/136

CISKEI DEFENDS INDUSTRY POLICY

Johannesburg BUSINESS DAY in English 11 Feb 87 p 4

[Text] SUGGESTIONS that Ciskei's industrial growth is in danger of faltering have been discounted by a spokesman for the Ciskei People's Development Bank (CPDB).

Reacting to Press reports on a study by researchers at Rhodes University, CPDB MD Cecil Vanda said there was no danger Ciskei's industrial development policy would bankrupt the country.

In a statement yesterday, Vanda said concern over the cost of concessions had been the major reason the Ciskei government switched, in 1985, to a tax-free investment incentive system.

He said the amount of R96m quoted as last year's cost of concessions was grossly exaggerated.

The actual amount was nevertheless considerable and Ciskei had been aware for some time it could not sustain the required growth on this basis, he said.

For this reason the tax-free incentive system was introduced to encourage investment.

"One aspect that does need clarification, however, is the comment

on the apparent lack of success of this system.

"Since the introduction of the system in April 1985, 75% of the investment applications approved by the CPDB have been from companies opting for the 'no company tax' route.

"While many of these companies are small, this is to be expected as larger groups tend to be more cautious in following a policy which is something of an innovation in an African context. However, there are already signs of growing confidence from larger investors."

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CSO: 3400/136

SABTA CRITICIZES GOVERNMENT WHITE PAPER ON TRANSPORT

Johannesburg CITY PRESS in English 8 Feb 87 p 2

[Article by ZB Molefe]

[Text]

A MAJOR row has broken out between the government and the Southern Africa Black Taxi Association over the long-awaited White Paper on transport released this week.

Speaking hours after the White Paper was tabled in Parliament, Sabta boss James Ngcoya said: "The government has betrayed the black taxi industry. As a result, the taximan no longer has any faith in the

government. It is time for responsible black leaders to cut all ties with the Botha administration.

"The government continually finds difficulty in getting recognised black leaders to talk to it," said Ngcoya.

"The reason is now obvious. The government simply cannot be trusted. Sabta, like the rest of the

black community, must look to furthering its interests away from the government."

The only area in the White Paper which could be supported by Sabta was that pirate taxis be legalised and freed from harassment by the law, said Ngcoya.

He conceded that the government had accepted

Sabta's crucial recommendation on pirate taxis, but "for the rest, our ideas have been summarily rejected, even where we were absolutely certain agreement had been reached."

The inescapable conclusion of the White Paper, said Ngcoya, was that the government wanted to see the black taxi industry weakened.

"The government is happy to see small black businesses which know their place, but a large and influential black grouping is not part of that script."

Ngcoya also referred to the 1983 Welgemoed Commission findings which recommended that township taxis be phased out.

"It is now clear that we have never really left the era of the Welgemoed Commission. The aim of the government is still to nullify the taxi industry. It is determined to see it fragmented," said Ngcoya.

PUTCO CUTS SERVICES TO ALEXANDRA AFTER BUS ATTACKS

Johannesburg THE STAR in English 12 Feb 87 p 1

[Article by Craig Kotze and Zenaide Vendeiro]

[Text] Putco has announced that its services in Alexandra township are being partially and temporarily withdrawn because of a wave of armed attacks on its buses and drivers.

The police today appealed to Alexandra residents to provide information and said they had already opened 34 dockets after attacks on bus drivers.

A police spokesman confirmed that Putco had given them a list of 41 robberies and attacks on drivers.

Putco spokesman Mr Steve Mashile said yesterday most services would terminate on the outskirts of the township but buses would enter between 3.30 am and 8.30 am when most passengers used season tickets and there was little cash to tempt robbers.

Mr Mashile said the decision to withdraw temporarily from Alexandra was due to "the recurring and escalating rate of attacks on our drivers by robbers, particularly at the No 2 Square bus rank".

There had been 41 attacks on drivers since services in the township resumed on November 17 last year.

FURTHER ATTACKS

One driver was shot and seriously injured, others had been assaulted, stabbed, threatened with firearms and had petrol bombs thrown into the cabs.

Further attacks occurred last weekend, he said.

All the attacks had been reported to the police but no arrests made, he said.

"We cannot continue exposing our drivers to such dangers," Mr Mashile said. "We are pleading with the community of Alexandra, who have been patient and sympathetic with the company, to assist in stopping these criminal elements within the township so that normal services can be resumed as soon as possible."

Mr Mashile said Putco regretted the inconvenience to passengers and asked for their understanding.

● Police are also still looking for a group of men on the loose in Alexandra with a Soviet Scorpion machine-pistol and linked to at least four attacks since December 14.

Over the last year there has been a rash of car and vehicle hijackings in and near Alexandra.

However, the police say such attacks have declined dramatically.

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CSO: 3400/136

BRIEFS

ANC'S TAMBO SAYS VICTORY 'IN SIGHT'--ANC President Oliver Tambo has said Western powers still support apartheid, but the victory of the South African liberators is in sight. Comrade Tambo said black South Africans were engaged in a struggle to end a practice which gave birth to the ideas of racial discrimination, oppression, domination, and exploitation. The ANC leader said South Africa has drawn on the great [words indistinct] which the leaders have achieved from their masters in Europe and the United States. Comrade Tambo said the cause for which blacks are paying the supreme sacrifice daily and for which Nelson Mandela, Walter Sisulu, Goba Mbeki, and others have been imprisoned for life has significance which extends beyond the borders of South Africa. [Text] [Lusaka Domestic Service in English 0600 GMT 2 Mar 87] /8309

TUTU CONDEMNS APARTHEID MANIFESTATIONS--Cape Town Feb 26 SAPA--If apartheid is dead, "It is one of the most viciously active corpses around," Archbishop Desmond Tutu said in Cape Town today. He was reacting to the government's refusal to allow the daughters of a black Malawian priest to enrol at Rhenish primary school in Stellenbosch. "Whoever said apartheid is dead. If it is dead it is one of the most viciously active corpses around," Archbishop Tutu said. "First of all you get children stopped from participating in sports events because of race, and now children are being stopped from attending schools. "Again, because the most important thing about these children is not that they are human beings, but they are human beings of certain colour. "When will we ever learn," Archbishop Tutu asked? [Text] [Johannesburg SAPA in English 1735 GMT 26 Feb 87] /8309

CSO: 3400/147

COMMENTARY ANALYZES 'WATERSHED' ELECTIONS

MB020520 Johannesburg Domestic Service in English 0500 GMT 2 Mar 87

[Station Commentary]

[Text] The first election meetings have been held and the first of the election manifestoes published. With parliament now in recess, and nomination day set for the end of this month, political parties and candidates will soon be in top gear for the general election for the House of Assembly on May the 6th.

It will be just 6 years and one week since the last general election for the Assembly. After such a period of time, there is need for renewal, for reinvigoration, of the political body. This need has been highlighted by the large number of members of parliament who have retired from the Assembly this year.

In the past 6 years, too, many thousands of young South Africans have reached voting age--18 years--and their right to share in the democratic process also needs to be acknowledged.

It is common cause that the election on May the 6th will be one of the most crucial in the young history of South Africa. It would perhaps not be going too far to call it a watershed election. Political parties and candidates differ on the course the country should take into the future but there is agreement on the necessity that the future direction of South Africa must be clearly sign-posted.

The state president--as is his prerogative as leader of the governing party--has decided on a general election in order to ask for a mandate. Among other issues, the mandate being sought differs from that which he obtained in the election 6 years ago in that--unlike the position in 1981--the state president is asking the white electorate to endorse the participation of black communities in political decisionmaking (without domination by one group over another).

Leaders of other political parties will be seeking endorsement of other mandates from the voters.

The question of the future political dispensation for black communities cannot be divorced from other vital issues such as constitutional reform in general, national security and external pressures on South Africa; and the voters will be called upon to consider all these issues and vote accordingly.

Insofar as the political dispensation of blacks is concerned, all parties are agreed that negotiations with black leaders will be imperative after the election. What the electorate will have to decide is which political party it wishes to entrust with the responsibility of negotiating with black leaders.

So crucial is the decision that the electorate has to take as to which policies to support that there is no place in the election campaign now being conducted for emotional rhetoric and petty political points-scoring. Candidates owe it to the future of South Africa to allow voters to make their critical decision in a calm and rational climate.

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CSO: 3400/152

FORMER NP MP CRITICAL OF GOVERNMENT, PFP

MB270527 Johannesburg SAPA in English 0149 GMT 27 Feb 87

[Text] Johannesburg Feb 26 SAPA--The nation's and the world's attention is going to be fixed on the outcome in Randburg in the forthcoming House of Assembly general election, said NP defector, Mr Wynand Malan, in a letter to voters. "We've all heard a lot of talk about reform--but we've seen very little action," wrote Mr Malan.

Mr Malan added that the political initiatives of the National Party had come to a halt. "While government leaders are either unable or unwilling to define clear, achievable goals, the press is muzzled and 'security actions' are conducted arbitrarily," he said.

"On the other hand, the PFP seems to have very little appreciation of the realities of the present situation. Its political strategies are naive and outdated," he commented.

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CSO: 3400/152

PFP'S ANDREW CHALLENGES HEUNIS ON SCHOOLS ISSUE

MB270858 Johannesburg SAPA in English 0823 GMT 27 Feb 87

[Text] Cape Town Feb 27 SAPA--The Progressive Federal Party (PFP) last night challenged the minister of constitutional development and planning, Mr Chris Heunis, to say publicly whether he supported the application by the Rhenish primary school committee in his constituency to admit two black children from Malawi.

"Mr Heunis should come clean and stop trying to run away from the apartheid policies that he has helped create simply because they are now embarrassing to him," the chairman of the PFP's federal executive, Mr Ken Andrew, said in a statement.

But Mr Heunis dismissed the challenge and said: "I am not prepared to say anything further on the matter." Mr Heunis did, however, say he wanted to point out that the application to admit the two pupils to the school did not come from the father and he referred to a statement on Wednesday by the Rev Jonathan Kamwana, the father of the children.

In another development yesterday, Mr Heunis refused to answer four questions put to him by a Cape Town morning newspaper. A spokesman for his office said the minister had nothing more to say on the matter.

In his statement, Mr Andrew said Mr Heunis' statement over the admission of the two black pupils to the Rhenish primary school was "in sharp contrast with the howls of alleged disgust of his colleagues at the decision of Menlo Park high school to refuse to allow a black schoolboy to run on their athletics track." "The plain fact is that the 1983 tricameral constitution of Mr Heunis' making specifies both schools and school sports as own affairs, that is they are apartheid-based, whites-only activities. The contrasting reaction to these two recent events typifies the hypocrisy and double-talk of the National Party. Reform, to the extent that it ever existed, has ground to a halt as a timid and panicking National Party tried to be all things to all men to stop the rapid disintegration of its support. Mr Heunis should answer one question publicly: does he support the request of the Rhenish school committee that the two black children be admitted or not?" Mr Andrew said.

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CSO: 3400/152

WEEKLY MAIL EXAMINES NP DESERTION BY ACADEMICS

MB280603 Johannesburg THE WEEKLY MAIL in English 27 Feb 87 p 7

[By Patrick Laurence]

[Text] One of the clear signs of the imminent collapse of an ancient regime is the desertion of intellectuals, Professor Crane Brinton writes in his ANATOMY OF REVOLUTION.

Seen in that context the resignation from the National Party of Professor Sampie Terreblanche of the University of Stellenbosch--and the raised voices of discontent in the Afrikaans universities--raise an interesting question.

Do they portend the desertion of the intellectuals and the consequent fall of the National Party government after its nearly 40 years of unbroke rule?

One who thinks not is Professor Willem Kleynhans, one of 13 Afrikaans lecturers who aroused the wrath of the NP in 1956 by protesting publicly against the removal of coloured voters from the common roll.

At the time the English language press heralded the dissent of the 13 as a sign of a major shift in opinion, of a deep-rooted intellectual rebellion against the Afrikaner establishment.

It was not. The dissenters were hounded and then ostracised and isolated by the establishment.

"We achieved nothing," Kleynhans says, adding of the present rebels: "They will achieve nothing. It (their rebellion) is stillborn. It amounts to nothing."

Kleynhans checks his racing mind and adds a minor qualification. It may lead to a few more votes against the NP in the pending election. But no more than that.

It will certainly not result in the defeat of Chris Heunis, Cape leader of the NP and a contender to succeed President P.W. Botha, in the pending election. Heunis, of course, is being challenged by former ambassador Denis Worrall, who is being backed by the university rebels.

But against Kleynhans' assessment is that of Professor Marinus Wiechers, of the University of South Africa. He sees the rebellion as the beginning of the gradual disintegration of the NP.

Dissent by reform-minded men at the Afrikaans universities should not be exaggerated, in spite of the headline treatment it has attached in the press.

So far only a handful of academics have protested publicly against the slow pace of reform pursued by the Botha regime--at Stellenbosch University, five at the University of the Orange Free State and on ly a couple in the Transvaal, one of them the retired history professor, Floors van Jaarsveld.

It is not the first time Stellenbosch academics have rebelled. During the era of Verwoerd there was a rebellion against his refusal to allow white capital to develop the "black homelands." But it came to naught in his lifetime.

Of the current dissenters only three have resigned from the NP. The rest have either long ago broken ties with the NP or, alternatively, believe the best way to ensure reform is to work for it within the NP.

One of the most vocal reformists among them, Professor W.P. Esterhuyse of the University of Stellenbosch, has decided to remain within the NP. "I have serious criticisms of the NP but I do not write it off," Esterhuyse proclaims.

His statement is particularly interesting because he is a prominent member of the Broederbond. [Afrikaner Brotherhood] Further, judging from his address to a student meeting at Stellenbosch, Esterhuyse is a supporter of the view expressed in a working document sent to Broeders that Afrikaner survival can be reconciled with a government in which the majority are blacks.

Esterhuyse is not a lone voice. Some of his peers share his view that the NP can still serve as a vehicle for fundamental (by NP criteria) reform.

Van Jaarsveld is not exactly a new face among the dissenters. He was tarred and feathered by zealots of the Afrikaner Weerstandsbeweging nearly a decade ago for his revisionist views on the Day of the Convent. The AWB charged him with trying to "desanctify" the day.

Against the rebellion of ultrarightists, Afrikaner dissent on the NP's Left is unimpressive. There is nothing to match the breakaway of 17 MPs on the party's rightwing in 1982 and the subsequent formation of the Conservative Party.

The immediate threat to the NP from ultra-rightists seems more dangerous than verlige [liberal] dissent on its Left.

The ultra-rightist split was accompanied by a desertion from the NP of intellectuals of the radical Right. The South African Bureau of Racial Affairs, under the leadership of Professor Carel Boshoff, broke with the NP over the 1984 tri-cameral constitution.

But the challenge of verligte Afrikaner dissent may be more substantial in the longer run. Much will depend on how the independent candidates, Worrall and Wynand Malan, fare in the May election.

If they do well, they may serve as the catalysts for a fundamental realignment of the white party political loyalties by attracting tens of thousands of members or potential members away from the NP. That, in turn, may have far-reaching consequences for the 1989 election which the government is constitutionally bound to hold.

But a lot may happen between now and then: P.W. Botha may retire and the NP--perhaps encouraged by the muted voices of the ultra-right or, alternatively, spurred by renewed rebellion in the black townships--may move sharply to the Left to capture the ground held by the Worrall/Malan axis.

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SOUTH AFRICA

PFP'S SCHWARZ WARNS AGAINST FUTURE POWER VACUUM

MB270525 Johannesburg SAPA in English 2241 GMT 26 Feb 87

[Text] Johannesburg Feb 26 SAPA--No one should use violence as a substitute for words where they are insufficiently persuasive to convince others of their cause, Mr Harry Schwarz, the Progressive Federal Party MP for Yeoville, said tonight. Speaking at a meeting of school prefects in Johannesburg, Mr Schwarz said: "I am committed to negotiation, I abhor violence. Every person, whatever his political view, is entitled not only to put his view but should not be in fear of the lives of his family or himself or for his property."

He said apartheid had no future, but the question of it going was not in issue--only the method. "The change which is needed is to create a just society, to one in which democratic institutions exist, where individual rights are adequately protected, where people can go about their lives in peace and without fear, where neither minorities nor majorities will, or can be, oppressed," Mr Schwarz said.

He said there was too much in South African society of a purely destructive nature and a desire to remove and abolish without thought of what is to be replaced. The country would one day find itself with an "unacceptable system gone and a vacuum in its place. If there is a vacuum one can be sure it will be filled by forces neither democratic or liberal, but autocratic and power-seeking to impose political and economic systems neither wanted nor desirable," Mr Schwarz said.

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CONSULTANTS DISCUSS LABOR RELATIONS BILL

MB262001 Johannesburg Television Service in English 1800 GMT 26 Feb 87

[Panel discussion with labor relations consultants Mike Beaumont and Gavin Brown, and attorney John Bland moderated by John Bishop on the "Network" program; introduced by Gillan van Houten--live]

[Excerpts] [Van Houten] The largest retail strike in the history of South Africa ended yesterday. The dispute between the Commercial Catering and Allied Workers' Union and the OK Bazaars has highlighted the increasing importance of a workable and coherent labor policy for this country. A labor relations amendment bill has been drafted by the Department of Manpower to address this question.

[John Bishop] Industrial court cases are often used for tactical purposes rather than with the aim of completing and winning cases. In order to keep pace with the developments in the labor relations amendment bill to adapt the existing dispute-settling machinery and procedures. Comment on the bill has resulted in several proposed amendments. These relate to the handling of disputes. Existing legislation empowers industrial courts and conciliation boards to settle disputes.

[Beaumont] The Labor Relations Act intends to deal with the framework within which parties will interact with one another, that is how to regulate that relationship. This is intended to be done by what is known as unfair labor practices. Secondly, if they are unable to resolve their differences or formulate relationships, how are you going to get out of the ensuing difficulty? Now, the unfair labor practice jurisdiction definition has been around for some time, extremely wide and extremely difficult to interpret, and as a result rights and obligations of parties are unclear.

[Bland] Labor relations and labor law are very dynamic things and the courts need to be able to be flexible to deal with those. If we define unfair labor practices at this moment in time we freeze the situation and don't allow that dynamism and flexibility which I think are essential.

[Beaumont] I think one of the problems that has arisen is that the court has not always been consistent in its interpretations. What this proposed bill does do is to codify existing areas, particularly that dealing with unfair dismissals, and set out very succinctly what is expected of the parties.

[Bland] Since 1979 there has been an industrial court. But there has been a lot of complaint that there was no court to which the people could appeal from decisions of the industrial court. I think one of the purposes of the amendment is to establish an appeal court--a higher court than the industrial court itself. That is why this special court has been established.

[Brown] I think I would give my qualified support to the idea of a special labor court. I think the thing that would concern me is that, as I read the amendment, it is going to be peopled by Supreme Court judges.

[Beaumont] Part of the dispute settling mechanism investigates what steps the parties have taken to resolve the disputes themselves. I think what the act is intending to do is to encourage the parties to go through those steps themselves. I see that as a positive development.

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CSO: 3400/152

COMMENTARY OUTLINES URGENCY OF HOUSING PROGRAMS

MB270544 Johannesburg Domestic Service in English 0500 GMT 27 Feb 87

[Station commentary]

[Text] The awesome challenge of ensuring enough housing for huge numbers of people--one of the most urgent with which South Africa is faced--is now also receiving attention on a global scale. At that level it is downright alarming. In a report just released the ILO states that a quarter of the world's population is badly housed or not housed at all. Some 100 million people have no shelter and sleep on pavements and in other open spaces. The report notes that in Africa the majority of urban dwellers live in precarious shelters or none at all, and the young fare especially badly. Calling for 1987 to be declared the International Year of Housing, the ILO warns that if present trends continue, matters will worsen.

It is to prevent just such a situation that South Africa has been engaged in developing a comprehensive housing program to accommodate the rapidly accelerating urbanization of the country. The importance of the program is emphasized by the results of failures elsewhere in the world--social and economic misery among the rootless mass and endemic political strife. Now, after several years of investigation and planning from countless sources, the program is more or less in place and ready to take off.

The first requirement is to deal with an accumulated shortage of 330,000 houses for blacks and clear up slum areas that have emerged in the last 20 years or so. The kind of response to which this has given rise is illustrated by the projects being carried out for upgrading, redeveloping, and laying out new townships in existing black, colored, and Indian areas. There are now 1,800 such projects under way at a total cost of 1,000 million rands. The longer term program makes provision for a variety of approaches, depending on the needs and means of the people concerned.

From the work of a host of official and unofficial bodies--the Urban Foundation prominent among them--has emerged an imposing set of appropriate technologies for assisting newcomers to the urban environment. They include various site-and-service schemes, shell housing and core housing, and the provision of building materials and plans for people to construct and gradually extend their own houses. Such schemes also include training and building skills which can later be put to profitable use.

At the other end of the spectrum are the groups which are relatively well established financially. Their members choose to acquire more expensive housing, 20,000 rands or more, and have had no difficulty in negotiating building society loans, since various problems were cleared out of the way. Township developers are reported to be experiencing strong demand from blacks in this category, receiving assistance from their employers.

Finally, there is a large middle group for which the South African Housing Trust was established 2 months ago. The trust is a combined initiative of government and private sector to make up to 2,000 million rands available in the next few years to enable a black man to build his own house up to a value of 20,000 rands. The backers of the trust are determined that, provided problems such as the acute shortage of land for township development are resolved, their project should make a substantial contribution to relieving the housing crisis in this country.

The target is simple: by the turn of the century provision will have to be made for at least 20 million people to be able to house themselves. The cost of failure is also clear. It may be seen all over the Third World.

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CSO: 3400/152

INDIAN INCOMES HIGHER THAN BLACKS, COLOREDS

MB271017 Johannesburg SAPA in English 1003 GMT 27 Feb 87

[Text] Johannesburg Feb 27 SAPA--A bureau of Market Research survey of income and expenditure patterns among black, coloured and Indian residents in metropolitan areas, showed that the average income per household among blacks was highest in Soweto (average R9,624 a year) followed by Pretoria (R9,359) and the east and west rand (R8,628).

The survey, the results of which have just been released, shows that the average black household income was the lowest in Bloemfontein (R5,611), followed by Kimberley (R6,102) and Port Elizabeth (R6,518).

The average income per head in 1985 was the highest among blacks in Soweto (R1,756), followed by the east and west rand (R,615) and Pretoria (R1,505).

The average salary of a black man living on the east and west rand was R6,519. For those in Soweto it was R6,512 and for men in the Vaal Triangle it was R6,177.

In 1985 women living in Soweto had the highest average earnings (R4,292), followed by those in Pietermaritzburg (R,075) and Durban (R4,022).

An analysis of expenditure patterns showed that black multiple households spent about one-third of their cash income on food. More than a third of this amount was spent on meat and meat products. Beef, poultry, mutton and lamb are the meat products bought most often.

A comparison over several years shows that black women were spending increasing amounts on their personal appearance, via such items as visits to the hairdresser.

The survey also revealed that malt beer is the most popular alcoholic drink.

Average household income among Indians was highest in Johannesburg (R18,397) compared with R14,217 in Pietermaritzburg and R13,992 in Durban.

Indians in Johannesburg spend relatively more on clothing and footwear, medical and dental services, income tax, servants and holidays.

The income and expenditure pattern surveys among coloureds in the Cape Peninsula, Port Elizabeth and Johannesburg showed that average income per household was R12,249 in Johannesburg, R10,358 in the Cape Peninsula and R9,627 in Port Elizabeth.

Income per person was 14 per cent higher in Johannesburg than in the Cape Peninsula and 43 per cent higher than in Port Elizabeth.

Coloured men earned R12,412 on average in Johannesburg, R7,488 in Port Elizabeth and R6,584 in the Cape Peninsula.

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CSO: 3400/152

NUM, MINING COMPANY SETTLE WAGE DISPUTE

MB261700 Johannesburg SAPA in English 1441 GMT 26 Feb 87

[Text] Johannesburg Feb 26 SAPA--A deadlock wage dispute between the National Union of Mineworkers and R10 Tinto Zincs Phalaborwa Mining Company was successfully resolved this week.

NUM's press officer, Mr Marcel Golding, said the two parties reached a settlement on wages and conditions of employment in a conciliation board meeting on Monday.

Wage negotiations between the union and the company deadlocked in November last year.

Mr Golding said the agreement included a wage increase of 21 to 27 percent, an increase in shift allowances and May day as a paid holiday.

The company also agreed to negotiate with the union on danger pay for miners exposed to vermiculite, one of the mine's products.

A survey would be conducted to investigate the relationship between inhaling vermiculite and chest diseases, Mr Golding said.

The mine will also allow two worker representatives to sit on the board of the company pension fund.

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CSO: 3400/152

BRIEFS

143 DETAINED UNDER SECURITY ACT IN 1986--House of Assembly, February 26 SAPA--A total of 143 people were detained last year under Section 31 (1) of the Internal Security Act, the minister of justice, Mr Kobie Coetsee, said today in written reply to a question from Mrs Helen Suzman (PFP Houghton). A total of 48 were being held on January 31 this year. The shortest period that a person was held for last year before being released was seven days; the longest six months. One person still in detention on January 31 had been held for 10 months and 28 days. [Text] [Johannesburg SAPA in English 1150 GMT 26 Feb 87] /8309

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