

BUTHELEZI COMMISSION 1

A blueprint for debate

The Buthelezi Commission is an historic contribution to the debate over power-sharing in SA. Set up by the KwaZulu Legislative Assembly in May 1980, its main task was an assessment of the complex inter-relationship of Natal and KwaZulu, and options for its constitutional future. But it went further.

Though the direct initiative came from a homeland body, the ultimate sponsor was Chief Minister Gatsha Buthelezi, whose power base, through the Inkatha movement, extends far beyond KwaZulu. The commission firmly rejected an ethnic composition — and clearly presents its deliberations and recommendations in the national context.

The depth of expertise reflected in the commission's composition — with political, economic, academic and business interests represented across a wide spectrum — demands that the report be given serious and continued scrutiny.

As the report makes plain, this is a major black initiative in a very turbulent arena. Indeed, it states, "this may well be the last time in SA politics that a black leadership group, with national and international credibility and significant following, reaches out to others with an invitation to explore the possibility of a creative and generally acceptable political compromise."

This "political possibility" is regarded as being "as important as any of the recommendations."

The National Party, as is well known, did not participate — and Natal NP leader Owen Horwood's rejection of the commission's constitutional recommendations should not be construed as an outright "snub." The NP was never likely to agree to what the commission wants for KwaZulu-Natal in the political sphere — one-man-one-vote. The Afrikaans press has adopted a more responsive line.

More important will be the spirit in which Pretoria responds to the overall implications of the report. Horwood *did* make positive comments about the report's suggestions on the social and economic needs of the Zulus: but it remains unfortunate that he referred to the "Schreiner Report" (Professor Deneys Schreiner was chairman of the commission.)

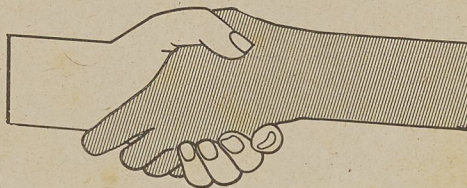
Confrontation fears

It is to be hoped that there will be no further alienation of Buthelezi — which can only serve to bring closer the violent confrontation the commission fears, and warns against.

Though invited, the African National Congress (ANC) also did not participate. In the words of the commission, it has adopted a "non-negotiable" stance — in other words, the armed struggle, for which, as the commission's attitude surveys show, it has

growing black support.

The FM feels that, as a contribution to a debate, the report deserves the widest publicity. The economic report (see accompanying leader) has direct relevance for SA as a whole. Though Natal-KwaZulu naturally has a social, racial and economic construction distinctly its own, the overall pattern of poverty co-existing with affluence is the pattern of the country.



These are among the major findings of the report:

POLITICAL AND CONSTITUTIONAL OPTIONS

The report attempts to find an equitable form of power-sharing as an alternative to increasing polarisation and confrontation by those outside the system.

The political and constitutional sub-committee dealt in depth with three major options, choosing, with suitable reservations, the third. These were: nation state independence for KwaZulu; the federal/confederal proposals of the New Republic Party (which controls the province); and "consociation," with a regional legislative assembly for the region elected on the basis of universal franchise, though with certain minority safeguards and a judicial bill of rights.

The drawbacks of the independence possibility are heavily emphasised — and the fact that it would be a "disastrous" step for Buthelezi and Inkatha. (In fact, the inflexible thrust of separate development cannot succeed as long as KwaZulu remains an integral part of SA — meaning a black majority in the country even if every other tribal unit becomes "independent.")

The view of the NRP, presented by MP Ron Miller, who did not sign the main report, was quoted without comment. It rested on wide-ranging and seemingly unprovable assumptions — such as that 10,25m South Africans (whites, coloureds, Indians and some 2m-4m blacks) were "supportive of" a democratic/free enterprise system, while 15m favoured an "authoritarian/traditional" political system and a "communal/social" economy.

Miller informed the commission that "there could be no special constitutional option for KwaZulu/Natal as such, since these two component parts would belong

either in the federal or the confederal construct (envisaged by the NRP) and could therefore not be combined into an entity outside these constructs."

The consociation option, however, was carefully detailed by the sub-committee's chairman, Professor Marius Wiechers. It was seen — and endorsed — as a means of achieving both democracy and peaceful co-existence in a divided society, by providing for both power-sharing and a high degree of autonomy for the different groups or "segments" into which society is divided.

For KwaZulu-Natal, the starting-point was proposed as co-operation between the homeland Legislative Assembly and the Provincial Administration, with coloured and Indian participation. A multiracial assembly would be elected on a regional one-man-one-vote, proportional representational basis. This "consociation" government would be characterised by four principles, which may be summarised as follows:

- It would be a "grand coalition" in which the political leaders of all significant segments participated;
- There would be delegation of as much decision-making as possible to the separate segments of the regional legislature (in practice, the component ethnic groupings);
- "Proportionality" would be the basis of political representation, appointments to the civil service and the allocation of public funds. (In other words, each group would get political representatives, public jobs and public cash in proportion to its numbers); and
- Minorities would have a veto to protect their vital interests.

Such a system would be phased in on the basis of consensus.

Begging questions

Some would say this is a naive expectation. Too many questions are begged. For example, power-sharing even at this regional level must be predicated on the abolition of the Prohibition of Improper Interference Act. It is unlikely that such repeal would fall under the Botha administration's concept of "healthy power-sharing" — as presently formulated. Furthermore, the call for "minimum group representation" within KwaZulu-Natal's legislative assembly is vague, short of a Lancaster House-type mandate for such representation.

And, since the proposed regional legislative assembly would be limited in its authority by central government, how far could it realistically move if it called for the repeal of the Group Areas Act, or the abolition of influx control — not to mention fiscal aid based on the total population of the area?

But the commission has not cast its recommendations in concrete. For this reason

THE ECONOMY

Adjusting, not busting

No, the economy is not on the brink of a debilitating recession. Unemployment is not about to soar. Taxes do not need to be hiked on March 24. Even if the rate of economic growth is less than 2% this year, the country will still be enjoying a high level of prosperity.

The plain fact is that the economy is overheated and needs to be cooled down if we are to have price stability. Demand still exceeds the economy's capacity to supply. This is evident from the import binge and share prices that this week were shown to be unjustified.

The fall in the price of gold will, by increasing the trade deficit, force down domestic demand. It may, therefore, have been fortuitous, especially as in recent months the Treasury's admirable financial restraint went temporarily by the board.

As the economy adjusts to capacity restraints and a lower gold price, the next 18 months to two years will not see the unprecedented vigour of the boom of 1980 and 1981. But adjustment does not mean disaster. Far from it.

Higher interest rates are part of that very necessary adjustment. Without the restraint on demand that real rates of interest will bring, there is little hope of price stability.

Indeed, for Volkskas economist Adam Jacobs to say, as he is quoted in *The Star* of March 5, that "everyone must prepare for the impact of high interest rates on prices" is nonsense. High interest rates will eventually arrest the growth in prices. But, of course, it takes time and consistent monetary discipline before they will do so.

Nor is there any more truth in the statement by Barclays economist Johan Cloete, in the same edition of *The Star*, that, with the fall in the gold price, we are facing "the sort of dismal outlook we faced in 1976." We patently are not.

In the years prior to 1976, government expenditure had shot ahead and the country had borrowed extensively abroad. When gold revenues declined, the then Minister of Finance, Nico Diederichs, financed his spending by printing money, which was highly inflationary. When he was succeeded by Owen Horwood, the latter had little choice in those circumstances but to raise taxes sharply.

Since then Horwood has kept government spending in check. It has hardly increased in real terms at all. He subsequently was able to cut taxes, which transferred resources from government to the private sector, where they are being put to more efficient use. So even if gold should decline further, he should not be forced — as was Diederichs — to resort to the inflationary printing press.

Against that background it is difficult to understand how,

in the same edition, *The Star* could editorialise: "Much of today's inflation rate and most of our current economic troubles can be traced back to the lavish fiscal policies of the late Seventies." Fiscal policies of that time were anything but lavish.

What did go wrong was monetary policy. Former Reserve Bank Governor Bob de Jongh lost control of the money supply. This was largely because he stubbornly refused to relax exchange controls and release a trade surplus from the domestic economy, where it eventually created excess demand.

It is important for businessmen and investors to have an accurate picture of the business scene so that they can adjust accordingly. If they do not, their pecuniary risk could be substantial and jobs could be put on the line.

Jacobs and Cloete do not appear to be conscious of that when they put forward views that can at best be called maverick. They are views, moreover, that in the eyes of the public have the implicit support of their employers, Volkskas and Barclays. *The Star* should be aware of the damage that could flow from its own lack of economic insight.

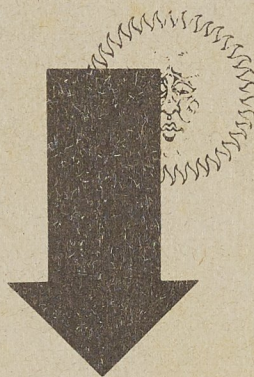
Businessmen should never forget that in the Sixties and early Seventies the SA economy grew substantially when the gold price was less than half of what it is now. And that when business activity in the West gingers up, there will be an increased demand for SA's non-gold exports. Gold is, of course, very important to SA, but the country also exports food and other minerals.

The SA economy remains basically healthy. Drawings from the IMF are evidence that its credit standing is good. Monetary policy is tightening once more, which suggests that government is resolute that monetary and fiscal discipline will be maintained.

Declining oil prices and a surplus of manpower and other resources in the economies of our major trading partners suggest that they could be on the verge of renewed growth. Interest rates are already declining in the US.

The decline in the value of the rand — this week it fell below \$1 — will eventually give our exporters an advantage in these markets. And as Johannesburg share prices decline, they will eventually attract foreign investors.

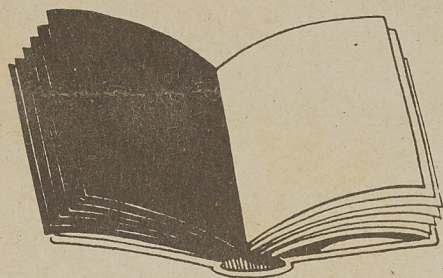
As the Governor of the Reserve Bank, Dr Gerhard de Kock, said in Johannesburg this week, the present period of readjustment is setting the scene for renewed future growth. The important thing, he said, was to maintain a proper perspective, work harder and live within our means. There is no reason now for pessimism.



alone, the FM feels that the NRP — given its dominance in the white province — should have been far more positive about the report.

EDUCATION

The report echoes the recommendations of the De Lange Report. It wants, for example, a centralised educational system. However, it outlines a fallback or interim stage “until such time as unified control can be achieved.”



This amounts to suggestions on how current — inefficient — institutions can work more closely together through a sharing of services and facilities. Teacher upgrading is stressed as a matter of urgency. Basic education should be free and compulsory for all, while post-basic education should be subsidised and make greater use of the private sector. It recommends the removal of racial and sexist limitations on students' admission to tertiary institutions.

This section can be seen as a contribution to the debate on education surrounding the De Lange Report.

BUTHELEZI COMMISSION 2

Least radical road to growth

Last week, *The Economist* commented that in Africa political pluralism and economic efficiency took root with difficulty. Some, indeed, may be tempted to wonder whether they have taken root at all. It is precisely for that reason that the economic proposals of the Buthelezi Commission are so important.

The main thrust of the proposals is the need to marshal all the resources of the region — including those of KwaZulu — to maximise economic growth and spread its benefits as widely as possible. The commission sees the extension of urban Natal's free market as the most efficient means of so doing. The implications of that are as far-reaching politically as they are economically.

For, if the abundant labour resources of greater Natal are to be allocated efficiently by supply and demand, the legal barriers that entrench the colour bar and inhibit the mobility of labour will have to be removed.

The report contains convincing evidence

SOCIAL AND HEALTH SERVICES

The basic proposal is that a “combined approach by KwaZulu and Natal be adopted for the delivery of health, welfare and other services within the area of their jurisdiction.”

This would rationalise the use of scarce resources of manpower and finance caused by the overlapping and duplication of provincial and homeland authority. There is also the problem of the provision of health and other services on a racial basis, and the proliferation of bureaucracy.

In a period of economic contraction, this suggestion is based on commonsense — and clearly has implications beyond the commission's specific focus of concern.

ATTITUDES TO CHANGE

The sub-committee on attitudes, under Professor Laurie Schlemmer, warns — on an authoritative, scientific basis — of growing black disaffection, militancy and support for the ANC. It is best read in the context of the main report's comment that the commission “represents an attempt, by the route of agreed co-operation, to avoid the armed struggle.”

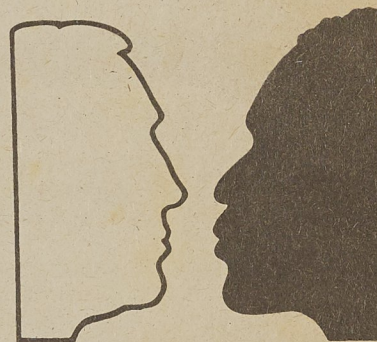
Chief Buthelezi's response to the report endorses this: “We will be looking in it for places to start in a process of change. We retain our goals and we retain our idealism. But we will never be blinded by it. Therefore we will take the report very seriously and explore its every finding for points of departure.”

Buthelezi has indicated he would like to establish a forum, arising out of the report, in which these explorations can take place. Frank Martin, Natal's senior NRP MEC, appears to endorse this: “Without doubt an ‘indaba’ is called for. The people concerned with the administration of Natal and KwaZulu should ideally get together and discuss the recommendations.”

If other white politicians could respond in a similar conciliatory spirit, the report will have served a valuable purpose, irrespective of the practicality of its recommendations.

The survey of black attitudes suggests that if the constitutional debate is not carried on broadly now, and simply left to the President's Council, moderate black opinion will be further alienated — and wider confrontation come closer.

The commission's respect for consensus on national as well as regional level — with options agreed to be kept open — could be the healthiest contribution yet to the urgent debate on SA's future.



ing out of the despair of their fellows. There is also a strong body of opinion among Natal economists that is known to favour a centrally planned economy as the only effective means of equitably distributing wealth.

To some extent, the commission's proposals reflect these attitudes. But they are advanced more often than not to soften the strains of introducing rural blacks into a market economy.

By and large, the commission's proposals are along a racially neutral path aimed at finding the most practical means of increasing the prosperity of the region as a whole. They are moderate, sensible and essentially democratic. There is also abundant historical evidence to suggest that, given a fair chance, they will work.

The commission has found that if the agricultural output of KwaZulu is to be increased, there must be a continued flow of its citizens to urban Natal and ownership of land must be encouraged.

This, plus the removal of all forms of discriminatory legislation, could place strains on existing rural amenities. Partly to ease this, the commission recommends incentives to encourage regional growth in areas where some infrastructure already exists. Another reason was to mitigate poverty in particularly depressed areas.

Moreover, it advocates the establishment near existing rural growthpoints of "new towns," where basic but permanent housing facilities would be provided.

Some of these measures are not out of kilter with Pretoria's new regional development ideas, which accept that a large urban black population in SA is now a permanent feature. They emphasise once again the economic futility of Verwoerdian separate development, which envisaged a flow of urban blacks back to traditional homelands, on the borders of which, white-owned factories would provide jobs in abundance.

Thousands of millions of rands later, we know that policy to have been a failure. Its adoption in the Sixties was a triumph of white political opportunism over economic reality. Economies of scale, distance from markets and raw materials — these were all ignored in the face of the ostensible advantage to industrialists of abundant and cheap homelands labour and government subsidies.

The vast disparity between incomes of whites and other races in Natal was rightly of concern to the commission. The removal of racially discriminatory laws and influx control measures would set in process a motion that would surely narrow the gap.

The commission, however, proposed further means of encouraging income distribution. In particular, it wanted all legal and intimidatory barriers to freedom of association, especially among workers, to be removed.

Implicit in these recommendations is the

ARTHUR ANDERSON & CO

In last week's *FM*, the article entitled "Kirsh/Gretermans — plenty of action" incorrectly blamed the auditors, Arthur Anderson & Co, for the treatment of R1m of discounts.

We now acknowledge that none of the changes in Gretermans' revised interim report have any effect on the audited annual financial statements at June 30 1981. We regret any inconvenience caused.

belief that through an efficient system of centralised and decentralised collective bargaining and streamlined means of resolving disputes, black wages would rise relative to whites in accordance with productivity gains.

The commission advocates, too, that blacks be given more immediate and direct access to economic resources as a means of reducing racial disparity in incomes.

Increased black labour mobility and better education would immediately open up greater access to market economy. But, in addition, the commission recommends that restrictions hindering the growth of black business be removed and that black home-ownership be encouraged as well as small freehold farm settlement schemes.

Of course, on so sensitive a matter as income distribution, it would have been surprising in a commission as diverse as this one if none of the ideas of the left were included.

There is a reference to an "affirmative action programme" and the need for welfare programmes is argued. The advocacy, however, is muted. The commission suggests, too, that ways be investigated to redistribute wealth through steeply progressive taxation, capital taxes and

death duties. But it does say that such taxation should be introduced at the least cost in terms of economic growth. If that is the test, it is unlikely ever to be introduced.

The trap of hiking minimum wages, into which Zimbabwe's Robert Mugabe tumbled, has been avoided, as well as the advocacy of state-owned enterprises.

The important thing is that the commission recommends that blacks be given unconstrained and permanent legal access to a unitary economy with great potential.

That was all that the waves of impoverished Irish, Jewish, Italian and Japanese immigrants had when they flocked to the US in the last century and the early years of this one. The blacks, who later moved from south to north, were in a similar situation. They soon adapted to, and mastered capitalism, despite enormous bigotry and prejudice as the black American economist, Thomas Sowell, explains in his book *Ethnic America*.

Education, welfare and affirmative action came afterwards — and may well be hindering the similar adaptation of later immigrants (such as Puerto Ricans and Mexicans) to a free market economy.

Massive aid to other parts of Africa is sometimes justified by arguing that blacks cannot be left to pull themselves up by their bootstraps, for they have none. This is not true of the Zulus in Natal.

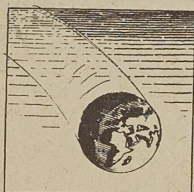
They live in a relatively wealthy province with a developed infrastructure and market economy, broadly speaking. As they pile up behind the fence of influx control, their desire to participate permanently in it is manifest. All that is preventing them is apartheid.

If they are allowed to do so along the lines set out in the Buthelezi Commission economic report, pluralism and prosperity in Natal will take root.

The recommendations deserve government's serious attention.

STOCK MARKET

Gravitational pull



Just as the proponents of gloom and disaster surrounding this week's planetary alignment have now given up on their original forecasts, so most JSE analysts now see the market's

crack over the past fortnight as an unavoidable and not altogether unwelcome event.

It has had its practical side and has brought prices and yields more into line with the fundamentals behind corporate prospects and share values.

Though this week's falling star, De Beers, may have knocked confidence in the short-

term, bank economists and institutional investors appear sanguine about the correction in prices and see the re-rated shares as starting to offer rational value.

Certainly, brokers have been expecting a price slide since the JSE's peak last October and trading volumes remained comparatively low in January and February. Many traders, in fact, had been surprised at the length of time the market had stayed up in the face of the economic slowdown, softer corporate performance and worsening macroeconomic indicators.

Now, the questions are, when will the market have fallen far enough to justify a buying re-entry by the major institutions and what will be the effects of interest

rates, inflation, the gold price and other parameters?

UAL investment GM Alister Colquhoun says that at present there is little compulsion for institutional investors to place their funds in equities. But he adds that all the major houses are poised to commit money when the moment comes.

Long-term funds investment is based on strong compound growth rates. And, obviously, the lower the entry level the better the chance of this being achieved. "It's largely a question of nerves," as to when each institution decides that a particular stock or sector has gone low enough to justify purchases, he says.

His view is backed by Old Mutual invest-

Cathedral in Cape Town last night and are determined it will end only 'when we drop or when our plight is heard and understood.' The silent men and women, many with babies, took their places in the cathedral after evening service. The committee of the Nyanga Bush People issued a statement saying 'the people wished to live together as families in the Peninsula where we are able to support ourselves. We are desperate and for this reason have decided to pray and fast until we are heard. We call on all to be with us in our time of prayer and fasting. We ask all the churches to ring their bells at noon each day during our fast as a sign that they are with us.'

The Dean of St George's Cathedral, the Very Rev Edward King, said that while he was committed to helping the group and would not demand that it leave the cathedral its 'unexpected' presence created problems for him. He said he had been misinformed and had expected 'about 10 people to arrive each morning for prayers, 'but plans would be made to accommodate them,' he added.

The Star 10.3.82

A squatter population of about 25 people—including little children—living in scrap cars in Soweto yesterday threatened to camp at the Soweto Council Chambers unless they were provided with alternative accommodation.

Squatters in Soweto made their threat after an order from an official of the council that they leave the area by this morning. They have been living a nomadic life, moving from one place to another. Some of them had fled from the area near Jabulani reservoir, trekking with their 'homes'—scrap cars. There was tension among the Soweto squatters yesterday as they prepared themselves for another trek. Most said that if their tiny homes were demolished they would camp until a place had been found for them.

Sowetan 11.3.82

13 families with babies and minor children have been living on a farm near Paarl since their houses were demolished 2 weeks ago. The 13 cottage dwellers on the farm Weltevrede in Dal Josafat were bulldozed after police had warned the occupants that they were trespassing. The families have all lived on the farm for about 7 years, but the farm is being sold to the Westlike Graanboere Co-op which plans to build a cold storage plant on the land.

Cape Times 5.3.82

URBAN AFRICAN AFFAIRS

Thebehali's Lies

The chairman of the Soweto Council, David

Thebehali, yesterday said he said he told pressmen in France that people in Soweto do not live in tins, after he was shown 'false' photographs of tin-shack houses said to be the type of houses people in Soweto lived in. Speaking for the first time to the press about his last month's tour of European countries, he said when he spoke of Soweto he was referring to Soweto as a geographical area in Johannesburg.

Sowetan 11.3.82

Regime's Legislation

Notice was given yesterday of a motion to be proposed today to refer the Black Local Authorities Amendment Bill to the Parliamentary Select Committee on the Constitution. The Bill the first in a proposed trilogy of a 'new deal' legislation for urban blacks by the Minister of Co-operation and Development, Dr Koornhof, provides for the establishment of local authorities for black communities outside the homelands. The Assembly adopted a resolution last week referring the Bill to a select committee, but the acting Leader of the House Mr Hendrik Schoeman, gave notice yesterday he would move that the Bill be referred to the Select Committee on the Constitution.

Rand Daily Mail 12.3.82

RESETTLEMENT AND CONTROLS

The South African government has turned down a bid by people resettled in Ciskei from Humansdorp to return to their homes. But 33 of them have been allowed to register at the labour bureau at Humansdorp as workseekers. These facts emerged when Dr Koornhof replied to a series of questions tabled in Parliament.

The Humansdorp people were resettled at Elukhanyeni near Keiskammahok by officials of Department of Co-operation during December 1977 and the latter half of 1978. Dr Koornhof said the removals were carried out in government trucks and buses and that they were carried out during normal working hours. Asked if his department had asked for police or security police aid during the removals, the Minister replied, 'No'. Dr Koornhof explained that the 'South African police were only responsible for the execution of the State President's order in terms of Section 5 of the Black Administration Act, 1927, if necessary. The Department of Co-operation and Development, however, executed the resettlement action as such.' Asked if the department officials were armed during these removals, Dr Koornhof replied: 'No. They officials of the Department were not officially armed.' He also said that his department had received representation from the Fingo community at Elukhanyeni that the

black community be allowed to the land originally occupied by them. The representations, however, could not be favourably considered.

Rand Daily Mail 11.3.82

Plans to erect fences along South Africa's borders with the 'independent homelands' were rejected yesterday as 'absolutely absurd' by Mrs Helen Suzman. Mrs Suzman was reacting to the establishment of a joint South African-Venda border commission which has as one of its objectives the erection of a border fence. A similar commission between South Africa and the newly independent state of Ciskei is under consideration, and negotiations are being conducted through 'diplomatic channels' for the establishment of commissions with Transkei and Bophuthatswana.

Disclosures of plans for erecting border fences was made in Parliament recently by the Minister of Community Development, Mr Pen Kotze. Responsibility for the fence would rest on the two states concerned and 'local circumstances' would dictate what kind of fence would be erected,' he said.

Mrs Suzman commented: 'It sounds like a measure to keep blacks out of South Africa, to prevent former South African citizens from entering South Africa illegally.'

Calculations made by Dr Hattingh of the University of the North at Bophuthatswana's independence in 1977 showed that South Africa's borders had grown by 885km with Transkei's independence in 1976 and by a further 2,530km when Bophuthatswana attained independence. If all the homelands became independent as they are meant to under Pretoria's policy, South Africa's frontiers would increase from 7,585km to 16,300km.

Rand Daily Mail 9.3.82

BUTHELEZI COMMISSION

The B/C report warns that black South Africans specifically compared their situation to that of white South Africans, which led to 'relative deprivation'. This was frequently associated with the development of revolutionary consciousness. The report also found that:

- There was significant evidence of increased expressed political discontent and anger—present among between 70% and 80% of blacks. Actual militancy and an attitude of confrontation
- Between 45 and 55% believed that the ANC insurgents would receive sympathy and co-operation from 'most or very many blacks. ...

Blacks surveyed outside the homeland areas had no significant emotional or civic identification with KwaZulu, sometimes in spite of extensive social contacts with the area.

Cape Times 8.3.82

The government has rejected the recommendations of the Buthelezi Commission. Announcing this last night the Natal leader of the Nationalist Party, Mr Owen Horwood, said the recommendations conflicted in many respects with important aspects of NP policy. In particular the constitutional and political part of the report was unacceptable to the government because it advocated a single political unit for Natal and ran counter to the policy according to which the government believed race relations should be regulated in South Africa.

All Johannesburg's Afrikaans daily newspapers which support the NP called on the government not to reject the Buthelezi report out of hand. Die Vaderland, in a leading article, said the report was moderate enough not to be summarily ignored and broadly could be accepted within the current system.

The Star 10.3.82

The Buthelezi Report proposals were in conflict with Inkatha's declared policy of one man, one vote in a unitary state and by signing the report the Inkatha men had signalled their desire for a peaceful solution, Dr Oscar Dhlomo, secretary general of Inkatha, said yesterday. Willingness of Inkatha members of the commission to sign a report which advocated power-sharing was a declaration of their readiness to dilute Inkatha policy in the interests of peace, he said.

Rand Daily Mail 10.3.82

PUPPET SAVIMBI IN SOUTH AFRICA

No official statement could be obtained from government sources about reports that Dr Jonas Savimbi, the leader of Unita, had discussions with the Prime Minister and other Cabinet Ministers in Cape Town last week. The Prime Minister's office said in a statement that it is not usual to give details about the Prime Minister's movements. Minister of Foreign Affairs Mr Pik Botha was not available for comment. According to reliable sources discussions have begun in Cape Town over the next phase of the Western plan for South West Africa.

Die Burger 3.3.82

BRITAIN IMPORTS MOTOR VEHICLES

The export of one-ton bakkies to Britain by Ford South Africa will gross more than R60-m a year, not R24-m as first thought. When the agreement was disclosed in January it was reported that 4,000 units would be exported. However, the managing director of Ford SA Mr Brian Pitt, said 10,000 bakkies would be sent from the company's Port Elizabeth assembly plant. The agreement includes spare parts.

Rand Daily Mail 12.3.82

matter following an ANC meeting in Lusaka last December. Asked whether the OAU would take action against Swaziland if it went through with the mooted deal, Onu, who had not heard of KaNgwane, said this would depend on Swaziland's presentation of its case and the opinions of the ANC and PAC. 'When the matter comes before the OAU, we will take a decision - which won't stray too far from what I've just told you.'

A senior Swazi government source, expressing a personal, not official, view, said that 'a border adjustment which is agreed by the countries concerned does not constitute a breach of the OAU Charter. A breach of the Charter only arises when one country forcibly stakes a claim to part of another country.'

The man in the middle of this paradoxical situation is KaNgwane Chief Minister Enoch Mabuza, who is steadfastly opposed to the territory's incorporation into Swaziland and the concomitant loss of SA rights to some 750,000 SA Swazis. Mabuza had five hours of talks with Co-operation and Development Minister Piet Koornhof in Cape Town this week. No statement was forthcoming after the meeting.

Financial Mail 19.2.82

KwaZulu

Chief Gatsha Buthelezi has offered to address National Party conferences this year - if Dr Koornhof responds to his appeal to address Inkatha's general conference. But, Chief Buthelezi told the minister, every compromise on his part must be met by a matching compromise on the minister's part. Discussing how possibilities of co-operation could be improved between the SA government and the black people of South Africa, Chief Buthelezi said in situations of life and death 'compromise' was not a dirty word.

Sowetan 16.2.82

Community organisations this week lashed out at the KwaZulu governments latest housing policy. In terms of this new policy blacks living in KwaZulu townships will no longer be allowed to buy the houses they live in and the KwaZulu government will not be building any more homes. Explaining the reasons for this, the Secretary of the Department of the Interior, Mr van Rensburg, said that his government has already sold 70% of the houses in their townships and now want to keep the remaining 30% for the lower income group to rent as they cannot afford to buy the houses. He also indicated that his government intend to 'encourage' all those people earning above R500 to build their own houses. Areas affected by this new policy include Umlazi, Ntuzuma, KwaMashu, Mpumalanga and other areas. It has been received with much anger and confusion and seems bound to spark off a major controversy. The Umlazi Residents Association said in a statement that 'it is an indisputable truth that it is the duty of any government to provide housing for its people. It is also a well known fact that thousands of

people are badly in need of housing in areas such as Umlazi, KwaMashu, Clermont, etc. In fact in the Kwa Zulu area more than 100,000 houses are desperately needed. The South African and KwaZulu governments ... are forcefully removing people from where they live.' In an attack on the general KwaZulu housing policy, the statement goes on to say that residents have already been ordered to demolish backyard shacks or face prosecution....

Ukusa 12-28.2.82

There is a growing chill in Natal between the NRP-controlled Provincial Council and the KwaZulu government. At the root of the problem is the final report of the Buthelezi Commission, due to be published early next month. Unlike the NP, the NRP recognises the Buthelezi Commission as an important black initiative. It readily acceded to participating in the commission's search for a new constitutional formula for Natal. But, although a draft of the final report has been prepared, the NRP representatives who sat on the commission have so far declined to put their signatures on the document. Ostensibly, the reason is that certain of the commission's recommendations conflict with the party's political view. In particular, the report does not specifically guarantee minority rights for coloureds, Indians and whites in Natal. The fact that the NRP representatives are the only commission members who have not yet signed the report is exacerbating the situation. Clearly the KwaZulu government feels slighted in the light of the close co-operation that exists between the two administrations. There is also the possibility that the NRP's refusal to sign could damage the already fragile status of the report.

In addition to the circumstances surrounding the report, relations between Natal and KwaZulu have been further cooled by the recent handing over of two large tracts of state land bordering on the Hluhluwe and Mkuze game reserves to the Natal Parks Board. KwaZulu government officials feel that the areas, which border on KwaZulu, could just as easily have been administered by its own parks department.

The widening rift between Natal and KwaZulu has serious implications. What is in jeopardy is Natal's unique experiment in moving towards increasing co-operation with KwaZulu and joint decision-making at nearly all levels. In recent months a joint consultative committee, made up of officials of both administrations, has been formed to co-ordinate planning. 2 prominent Zulus have been appointed to the Natal Parks Board and there are plans afoot to form a joint roads department.

Financial Mail 19.2.82

The KwaZulu Cabinet and Inkatha have requested that Ingwavuma in Zululand should fall under KwaZulu police jurisdiction after it is alleged that a black police dog was called 'Gatsha Buthelezi' in the Ingwavuma district.

The Citizen 16.2.82

in the Western Cape, was on the scene. He said the sand dune was being levelled by the administration board to make a soccer field for people living nearby. He said he had spoken to the squatters, but they 'did not want to listen to reason.' Squatters said he told them they must accept contract work in order to stay in the Peninsula. Nothing better could be done for them. They said this was unacceptable, as it would mean splitting their families. They asked for residence rights and accommodation in the Peninsula, where many of them have lived and worked for years.

Sowetan 16.2.82

52 people arrested in a pre-dawn raid at Nyanga extension yesterday have been deported to the Transkei. 38 men and 31 women were arrested in the raid, and 10 of the people were later released. Mr Timo Bezuidenhout said there were still 25 men and about 15 women remaining on the sand dune site between Nyanga and Crossroads. He said he had negotiated with the squatters but they had refused his offer of contract work.

The Star 19.2.82

BANTUSTANS

Ciskei

The Ciskeian National Development Corporation (CNDC) is investigating more than 30 applications from various industrialists which could lead to investments in Ciskei totalling more than R100-m over the next few years. This was revealed at a press conference in Zwelitsha yesterday by President Sebe. Applications the Corporation was investigating include ones from Taiwan, Hong Kong, France, Italy, Australia, Germany Israel and the United States.

Rand Daily Mail 18.2.82

Bophuthatswana

The governments of Bophuthatswana and South Africa have not yet responded on recommendations conducted by the inter-governmental committee which investigated Winterveldt. The documents of the report were handed to both governments late last year for their consideration and action. The committee appointed by the two governments was led by the Council for Scientific and Industrial Research's National Building Institute based in Pretoria. The committee set out to survey the slum area 40km north of Pretoria with a view to clearing squatting and converting it into a township.

A recent visit to the area revealed that conditions of squatters were still the same if not worse since the first newspaper's exposure in the early 1970s. Infrastructure in the densely populated part near Mabopane is still as homeless with no streets, no adequate water supply and poorly built schools. Some squatters still stole water from the neighbouring Boekhoutfontein. Some school classrooms have only corrugated iron and no furniture. The shanty township has only one clinic

situated about 15km from the densely populated parts and unemployment in the area is rife. Many youths are found roaming the streets aimlessly during working days. Squatting in the area is on the increase as most newly married couples only discover after their commitment at the altar that one partner does not qualify for a Pretoria urban township, and as a result they cannot obtain a house. They simply go and squat in Winterveldt.

Sowetan 18.2.82

Venda

The detained dean of the Lutheran Church in Venda has been admitted to hospital again, this time in a 'very serious condition.' 'I am told the dean was admitted on Friday afternoon at about 4pm and that he is in a very serious condition,' said Mr R Schultz, secretary general of the Evangelical Lutheran Church in South Africa. Dean T S Farisani has twice been admitted to hospital since he was detained last November. The first time he was treated for head injuries as a result of alleged assault by the police; the second time he was given psychiatric treatment as a result of being held in solitary confinement. He is one of three churchmen being held as possible state witnesses under Internal Security Act. The dean's admission to hospital comes at a time when the powerful Lutheran Church World Federation in German has appealed to the Prime Minister P W Botha to protect pastors and members of the church detained in Venda.

Mr Humbulani Marema, one of the 18 people in detention, has been released. The Lutheran Church also pressed Mr Botha to intervene to allow the Lutheran Bishop of the area, the Rev Solomon Serote, to enter the area. Mr Serote has been banned from Venda. He was refused permission to enter for the funeral of lay preacher Mr Tshifhiwa Muofhe, who died in custody.

Sunday Times (SA) 21.2.82

KaNgwane: OAU Condemnation

The OAU this week responded to plans involving SA and Swaziland for the incorporation of the KaNgwane homeland into the Kingdom. Speaking to the FM from Addis Ababa, Peter Onu, head of the OAU political secretariat, said the organisation was in principle 'opposed to the creation of bantustans and regards SA as one solid entity. We are against the fragmentation of the country. A handful of whites do not have the right to adjust the country's borders.'

Onu added that the views of the majority of the population of SA and those who stood to lose their SA citizenship had to be taken into account. He further stated that the 'opinions of the liberation movements, the ANC and PAC, will be taken into consideration to determine the OAU's position in the case.' Senior ANC representatives are thought to have spoken to Swazi Prime Minister, Prince Dlamini, about the

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rural slum called on Dr Koornhof to announce their desire to become an independent republic. Dr Koornhof said afterwards that the talks had been very positive and constructive. An interim committee will be set up to prepare the way for independence and draw up development and consolidation plans.

The comedy is in the homeland's everyday life as well as in its aspirations to national viability. For example, the Assistant Chief Magistrate, Johannes Mahlangu, is currently on the run from a group of tribal traditionalists in charge of an initiation school, who have discovered he was not circumcised as a youth.

According to tribal traditions all males must go through an initiation ceremony, including circumcision without anaesthetic, to be acknowledged as men. Modern, educated Africans reject such antiquated customs, but the South African government's policy is to preserve ethnic 'cultures' and so they find encouragement in the homelands. The Parliamentary Secretary, Theta Masombuka, was less fortunate: he was captured and taken to the initiation school. 'where else in the world could a country's legislative and judicial machinery grind to a halt because key bureaucrats are in possession of their foreskins?' asks the black magazine 'Drum' in its forthcoming issue.

The infant mortality rate is high even by African standards. An African carpenter recently told the Institute of Race Relations he was thinking of moving into the homeland to set up a coffin-making business, because coffins cost £35 to transport from the nearest sizeable town of Groblersdal.

Independence for the homelands suits the South African government because as each homeland becomes independent, all Africans belonging to the tribe are stripped of their South African citizenship and made citizens of the new state, whether they live in it or not. When KwaNdebele becomes independent not only the 166,000 or more inhabitants of the homeland but also the 274,000 members of the Ndebele tribe who live elsewhere in South Africa will all lose their South African citizenship and become KwaNdebele citizens.

Observer (UK) 30.5.82

KwaZulu

About 3,000 people of all races flocked to Durban City Hall last night to hear Gatsha Buthelezi and Dr van zyl Slabbert share a public platform for the first time. Busloads of uniformed Inkatha members stood in the portico of the hall for the duration of the meeting, singing and

displaying banners proclaiming Chief Buthelezi and the report of the Buthelezi Commission, which was the subject of the meeting...

Daily News 26.5.82

Dr van zyl Slabbert, PFP leader, this week called for a joint meeting of the constitutional committees of the President's Council and the Buthelezi Commission. Dr Slabbert, sharing a platform with Chief Buthelezi at a symposium to discuss the Buthelezi Commission, said ways had to be found to break the constitutional deadlock that had developed. 'No constitution which does not accommodate the aspirations and participation of black South Africans can be democratic and enjoy majority support. In other words there can be no stability and peace.' Dr Slabbert said his party supported the Buthelezi Commission and not the President's Council because blacks were excluded from the PC.

The Star 26.5.82

Chief Buthelezi yesterday called on the OAU and presidents of the Front Line States to say what they feel about Swazi claims to Northern KwaZulu. The Chief Minister and his cabinet and members of the Legislative Assembly visited Manguzi in Maputaland yesterday to show their opposition to Swazi rule for the area.

Before 4,000 Tembes at their tribal headquarters 11km south of Mozambique, Chief Buthelezi said: 'I would be interested to know if President Machel, the Front Line States and the OAU can really condone such imperialist designs by Swaziland on what is black land. Surely Swaziland cannot be yearning to share the political instability which South Africa enjoys,' asking if the Swazi wanted to forfeit the goodwill in this country for a few hectares of land. There would never be peace in the area if it was ceded to Swaziland, he added. The present head of the Tembe tribe, Chief Mzimba Tembe, is totally opposed to falling under Swazi rule, he said. Cabinet member Chief L Dlamini reported back on a meeting he had with King Sobhuza earlier this month. King Sobhuza said then the land belonged to Swaziland and he was prepared to take the matter to the World Court or settle it on the battlefield.

Daily News 28.5.82

KwaZulu's health problems are identical to any you would expect to find in any Third World country. 'You have an abundance of problems and scarcity of resources.' So says KwaZulu Health and Welfare Minister, Dennis Madide.

There is indeed an abundance of problems.

The homelands 3,5-million people are served by only 200 doctors, some of whom are in private practice, and the health department has 70 vacancies. The doctor patient ratio is 1:17,500. The situation as it exists in KwaZulu is a microcosm of the general rural South African picture. KwaZulu, after all, has not opted for independence and is still part of South Africa. But since Madide's department was established in 1977, responsibility for the health care system has been transferred to KwaZulu.

In an interview in Ulundi last week Madide said the transfer process had been completed. 28 hospitals, many of them formerly mission-run, now fall under the department and Madide said KwaZulu is considering taking over or running on an agency basis a number of hospitals in white areas which serve KwaZulu citizens. The department's budget for the 1981/82 financial year was R110,4-m, out of KwaZulu's total budget of R342-m. This year's budget is R129,3-m. Pensions, however, take up at least 50% of this amount. KwaZulu's major health problems are infectious and parasitic diseases. (TB, bilhazia, malaria, typhoid, cholera, measles infantile gastro-enteritis) diseases of malnutrition, complications of pregnancy and childbirth and dental decay. The shortage of qualified medical personnel—not only doctors but all categories of para-medics and dentists—create obvious problems for the health service.

These considerations, as well as widespread poverty, some resettled populations and enormous transport and communications problems means that KwaZulu faces tremendous obstacles in providing a health service for all. Nurses play a vital role in the health care scheme, and the emphasis is on hospitals providing them with in-service training in primary health care. Training is not standardised. Some 80 nurses have received only one month's training, while about 30 have completed a one-year course ..

Manguzi Hospital, situated in northern KwaZulu, 14km from the Mozambique border, is a former Methodist mission hospital which was taken over by the KwaZulu government in October last year. It had a R11-m budget in the 1981/82 financial year, has 240 beds and runs 26 clinics—both permanent and mobile—serving 30,000 people living in the 110km² area around it ...

Financial Mail 21.5.82

Bophuthatswana

A general sales tax of 5% is to be introduced in Bophuthatswana and will affect the sale of liquor, cars, light trucks and radio advertising services. This was said by the Minister of Finance Mr Lester Young during his budget speech. He

said the territory would seek external loans to a greater extent. 'The non-recognition of our republic by the outside world makes the task of borrowing more difficult. The Development Bank of southern Africa would have eased this task but it has yet to appear as a viable force.'

The Star 29.5.82

Lebowa

A group of South African businessmen including several retailers from Lebowa, has just returned from a two week tour of the United States where they studied business methods. The party attended the conference of the US Food Marketing Institute and were delegates at a seminar on merchandising, marketing and management in Dayton, Ohio. Among the group were Mr Boniface Mokhele, Mr Stanley Thema and Mr Nimrod Mathebula.

Sowetan 24.5.82

MASS REMOVALS POLICY

About a quarter of a million people in Natal are living with the knowledge that the land their forefathers bought may be taken away from them at any time and they will be forced to move to distant and unknown parts.

These are the residents of 'black spots', remnants of a time when a man was not disqualified from buying land because his skin was black. Just how many of these little islands of black land ownership speckle the map of white Natal—and how many people live on them—is extremely difficult to establish with any accuracy, apparently even for the government. The Minister of Co-operation and Development, Dr Koornhof, told parliament last year this information was 'not being maintained', and various ministers and official reports before him had provided widely varying figures.

However, according to recent reports from the Association of Rural Advancement (AFRA) there are at least 189 black spots in Natal, with 230,000 people living under the threat of removal. Afra's figures exclude various tracts of land which were bought by church organisations—in most cases during the latter half of the last century—and leased to black tenants. They face the same threat of removal to government-established resettlement camps.

An example of church-owned, black-leased land is St Wendolin's near Durban, which was drawn into the limelight recently when moves were made by the authorities to evict the tenants and which served to emphasise that these removals, although less frequent than in the past, are still going on. Afra's research also reveals the startling fact that despite two decades of persistent, state-enforced removals,

September 14, 1978. The raid involved over 200 policemen, including members of the riot squad, and 48 administration board officials. An inquest, which heard evidence on 7 days over a period of five months, found that Mr Cleary had acted in self defence. In the Supreme Court the widow of Mr Ndlela, Mrs Caroline Madosini Ndlela and her two daughters are claiming a total of R21.399 in damages from Mr Cleary and the Minister of Police, Mr le Grange.

Cape Times 2.2.82

Mr Timo Bezuidenhout, chief commissioner for the Department of Co-operation and Development in the Western Cape, denied negotiations with the Nyanga squatters were derailed. The negotiations followed raids. After a number of shots were fired in one raid Mr Bezuidenhout approached the squatters for talks, promising them safe conduct. At the meeting Mr Bezuidenhout told representatives of the squatters he would undertake to find them jobs in terms of contract labour agreements between the homelands and South Africa. The squatters rejected his offer, saying contract labour was an unstable form of employment and wrecked family life. They said they wanted to be registered as local residents and find their own accommodation and work.

Referring to a recent statement by the Nyanga Bush Committee which said Mr Bezuidenhout had chosen the squatter representatives he had spoken to, he said he had heard nothing from the committee since extending the invitation to them. Mr Rommel Roberts, a community worker, said yesterday the Nyanga Bush Committee and the Western Province Council of Churches had written to Mr Bezuidenhout.

Cape Times 3.2.82

A Nyanga squatter, mother of 4 Margaret Hlomela, was convicted in the Langa Commissioner's Court yesterday of being in the Peninsula for more than 72 hours without a permit. She was fined R70 or 70 days suspended for 12 months on condition she obtains permission to stay in the Peninsula from the Administration Board within 14 days, failing which she returns to the Transkei. She has been in the Peninsula since 1968 ... [See Briefing No. 6]

12 more cases similar to Hlomela's were processed in the Commissioner's Court yesterday. Ten people were convicted and fined R60 or 60 days conditionally suspended for 12 months; one was convicted and fined R70 or 70 days conditionally suspended for 12 months, and another was convicted and fined R90 or 90 days conditionally suspended for 12 months. The higher fines were imposed because of previous convictions for similar offences.

Cape Times 2.2.82

Inkatha Will Participate in Council Elections
Inkatha branches on the West Rand have been permitted to take part in the forthcoming community

council elections. a meeting of residents was told in Soweto yesterday. Mr Ambition Brown, general secretary of Inkatha's Orlando branch, said that all 30 branches in the region were given the green light by the movement's national executive to contest the elections later this year. The elections were to have been held next month, but have been postponed to September. The West Rand region of Inkatha is to hold its annual general meeting at Zola, Soweto, on Feb 28.

Sowetan 1.2.82

BANTUSTANS ✓ M. B.
KwaZulu and the Buthelezi Commission

Black majority rule in South Africa would probably lead to civil war between blacks and whites, whose only future together lay in an intermarriage of skills and human resources, said Chief Gatsha Buthelezi. And this could best be achieved with a consociational form of government, giving all the races the vote but which had integral checks and balances, such as the veto for minority groups to protect their rights, he said. He was talking about the objectives of the Buthelezi Commission, whose report is due to reach him this month. He said the commission, which seeks a new constitutional dispensation for Natal and KwaZulu, would not propose immediate, dramatic changes. There should, he said, be greater rapprochement between the races, 'gently going towards each other.'

He added: 'Whether my black constituents will be happy is another matter.' Some young blacks would object because consociation represented a change of direction. 'Some people will see this as trying to frustrate the operation of majority rule, which, stripped of its trappings means black majority rule, which I think is likely to cause civil war between black and white.' There was little time left. Once the issue of Namibia had been resolved, we will be more the focus of attention than ever before, he added.

Argus 5.2.82

Venda

Three Lutheran Church ministers in Venda - one a cripple - have been charged with murder, the Venda Attorney General, Mr J D Visser, said yesterday. The murder charges arise from an attack on the Sibasa police station in Venda last October. Two policemen were killed and a third injured. The outlawed ANC claimed responsibility for the attack. The three ministers were among 20 people detained in November and December last year in connection with the assault. They are The Rev A M Mahamba; the Rev P M Phosiwa and Rev N Phaswane. All face two murder charges and one of attempted murder. They have all pleaded not guilty.

A fourth detainee, Mr R Tshikororo, was charged with murder and attempted murder at the same time. He is believed to be a lay member of the Lutheran Church. During Mr Phosiwa's brief appearance in court allegations were made that he had been tortured in detention. A hood was allegedly placed over his

head during interrogation, and he was said to have lost the sense of feeling in his left hand. Dean Farisani was admitted to hospital last week where, according to an informed source, he received psychiatric treatment to counter the effects of solitary confinement. Mr Visser declined to comment on whether the men are alleged to have taken part in the attack or whether they are alleged to have conspired with the ANC unit which launched the grenade, rocket and rifle attack.

Last week Mr Visser ordered an inquest into the death in police custody on Mr Tshifiwa Muofhe, a lay member of the Lutheran Church and of the evangelical organisation, Beco. He died within two days of being detained.

The Lutheran Church—in Venda since the middle of the last century—is the majority church in Venda.

Rand Daily Mail 8.2.82

KaNgwane

There is mounting anger in the Swazi homeland of KaNgwane over the government's intentions to incorporate the homeland and its 750,000 people into neighbouring Swaziland. The resignation last week of the Commissioner General of KaNgwane, Mr George Botha, has highlighted the desperate resistance of the people of the territory to the government's plans. Mr Botha, a former Nationalist MP and Senator, also renounced his membership of the National Party.

In an interview he said: 'I differed fundamentally from government plans to give part of the Republic of South Africa to King Sobhuza of Swaziland. It has never been government policy to give away any of South Africa's black homelands to independent black states outside the borders of the Republic. I took a stand in direct opposition to the view of the government for I am against the government's envisaged plans for KaNgwane. For that reason, I had no option but to resign both as Commissioner-General and NP member.'

His resignation is part of a protracted wrangle over the future of the small homeland which shares a border with Swaziland and whose people are mainly Swazi-speaking. At a special session of the homeland's Legislative Assembly in December, 1981, the chief executive councillor, Mr Enos Mabuza, said:

'No other 'national state' and no other ethnic group has ever had such a rough ride on the unpredictable horse of separate development.' He told Mr Greyling Wentzel, the Deputy Minister of Co-operation and Development, who represented the SA government at the session: 'We cannot agree to be used as guinea pigs in a political experimentation which is not and will never be in our interests. The decision to incorporate KaNgwane into Swaziland will be an arbitrary and unilateral decision of the South African government which is devoid of all the principles of democracy and is unacceptable to the Swazi people of South Africa.'

After briefing the legislative assembly about all the steps in the wrangle about KaNgwane's own constitu-

tional future and the government's plans to cede the territory to Swaziland, Mr Mabuza said: 'We are not deliberating here about animals that can be driven around or goods that can be sold across the counter, we are deliberating about the political and socio-economic future of 750,000 people.'

Sunday Times (SA) 7.2.82

KaNgwane, in the Eastern Transvaal, is South Africa's Swazi homeland. Historically, the territory is claimed by its close neighbour, the Kingdom of Swaziland, and this has suggested to Pretoria's strategists a convenient deal — let King Sobhuza have KaNgwane as a means of luring Swaziland into the Southern African 'constellation'. It is specifically in protest against this intention that Mr George Botha has resigned.

There are some heavy ironies here. Your ordinary Nationalist can easily enough countenance detaching chunks of South Africa here, there, and everywhere, and calling them 'independent national states.' The case of KaNgwane is not so easily swallowed. It involves not only a national dismemberment-cum-independence but an actual transfer of territory to a sovereign state. The difference, as evidenced in the reaction of a loyal Nationalist like Mr Botha, speaks volumes about the quality of Pretoria-style independence.

Another irony concerns KaNgwane's 600,000 people. The majority are evidently opposed to being handed over like so many pawns in a game, despite the close ethnic links. They regard themselves as South Africans, first and foremost. For this reason they are reluctant to accept 'independence' which would be Pretoria's next-best way of offloading half a million blacks. Says KaNgwane's chief minister, Mr Enos Mabuza: 'We are already part of an independent state, South Africa. What we want is revision of the political system to give us some say.'

The Star [Editorial] 8.2.82

WHITE AFFAIRS

P W Botha's Threats

The Prime Minister P W Botha yesterday issued an ominous warning to the proponents of violence that they should not even dream of what would happen if they confronted South Africa. Without being specific, he added later that a 'big silence and desolation will come over many parts of South Africa.' Speaking in the No Confidence debate, Mr Botha said he would go out of his way to avoid race conflict and blood-letting, but people should remember that the white people of South Africa did not 'steal' the country. 'If violence is used as a final instrument something will happen in South Africa that the proponents of violence cannot even dream of. I am trying to avoid this. They don't know what they are going to reap.'

During a speech lasting almost two hours, he said that the Steyn Commission had supported his oft-made contention that there was a total onslaught against South Africa... and warned that unless coloured

Transvaal Nat leader Dr Connie Mulder, fell from power in the Info scandal, bringing the Cape leader, Mr PW Botha to power. Last year Perskor boss and Treurnicht supporter Dr Marius Jooste held a closed two-day farewell party for outgoing Volkskas chairman Dr Jan Hurter on the isolated Perskor holiday farm Plaas Marius in the Zoutpansberg. It is widely believed that Dr Jooste used the opportunity to sound out the Volkskas board on whether they would approve if Perskor newspapers supported a Treurnicht breakaway. Volkskas, moved by financial prudence remained uncommitted. Sanlam's board is now preparing an all-out onslaught on Volkskas's banking market.

Sunday Express 18.7.82

Inflation

The price of bread is expected to go up about 5c a loaf in October. This would bring the price of white bread to 45c and brown bread to 33c, without tax.

Star 22.7.82

Anglo and China

Anglo American is poised to penetrate new markets in mainland China. This time the bait is Coal-equip's mining equipment aimed at China's rapidly growing mining industries. Officially, the South African developed mining machinery will soon be offered by its parent company Amic's Boart International, to 'interested parties in Hong Kong and South East Asia.' This is a euphemism used by a reliable Anglo source, who prefers it to a plain confession of 'we're seeking trade behind the Bamboo Curtain.' Coal-equip already sells Mozambique conveying equipment for its coal and sugar industries. It also exports roof-bolt units to Canada and the UK and conveyor and vibrating feeders to Zambia.

Sunday Times (SA) 18.7.82

Anglo's Annual Statement

A negotiated solution to South Africa's constitutional problems might be possible if the Government accepted the principle of blacks having a 'fair share' in central decision-making—probably on a federal basis—the chairman of Anglo American, Mr Harry Oppenheimer, said in his annual report. Such negotiations would take a long time and success could not be guaranteed. 'But the fact that the Government was in good faith making the attempt, and thereby recognising that history has made all of us South Africans, would do much to defuse the racial situation in the country and to improve our standing in the world,' Mr Oppenheimer said.

The crux of the political debate was whether blacks were to be recognised and treated as South Africans or whether the Government would insist

that their nationality and allegiance should lie solely with the black national states. The report of the Buthelezi Commission—which has been rejected by the Government—offered a consociational system of government which would include all South Africans. It was noteworthy the KwaZulu leader, Chief Gatsha Buthelezi, was prepared to consider consociation as a compromise even though he had consistently stood for one man one vote in a unitary state. Although the Government's policy was by now irreversible, it could possibly be accommodated—as suggested by the Buthelezi Commission—in a wider South African federal system which would give urban blacks a chance to influence central government.

'One in which people of all races would enjoy an overriding South African nationality, carry South African passports and come perhaps in time to feel a common South African patriotism.' The recently promulgated Black Local Authorities Act was 'real and substantial' progress towards giving urban blacks self-governing rights. The Act acknowledged black permanence in urban areas which was 'entirely contrary' to previous Government policy, and had to lead in time to freehold rights for individual blacks in urban areas, Mr Oppenheimer said. But the political aspirations of blacks would not be satisfied by local government reforms alone, he said.

The government's decision to include coloureds and Asians in central decision-making marked a 'fundamental change' in South African politics but it only applied to about 30% of the people. Mr Oppenheimer said the Government's labour reform policy involved 'great risks' unless it was accompanied by educational and political reforms. Educational reform had become 'critically important' because 'without it workers will not be able to make use of the new opportunities that have been opened up for them.' And if a 'share in decision-making in national government structures continues to be denied them, (workers) will inevitably direct their industrial power more and more to political objectives.'

Rand Daily Mail 21.7.82

Foreign Finance

The total strategy of expanding the South African economy needed vast injections of overseas capital, said Dr Frans Cronje in his chairman's review at last night's annual meeting of the SA Permanent Building Society in Johannesburg. 'And this brings us immediately into the political area. Unless our Government can convince overseas investors that we are succeeding in achieving the aspirations of all the various race groups in a positive manner this

capital will not materialise.' Dr Cronje said that there had been some very positive developments in recent times. He mentioned the reports of the Riekerk and Wiehahn commissions and the proposals of the President's Council. On the other hand, there had also been a most vociferous reaction against these proposals. These would make overseas investors hesitate in order to see how things developed before they committed themselves. 'I think that this particular problem is a thorny one for the authorities because if they do not solve it our present economic downturn will be extended considerably.'

Cape Times 21.7.81

Shrinking Rand

Average consumer prices have risen 130.3% since 1975 and the rand of 1975 is now worth only 43.4 cents in real terms. It is estimated the inflation rate this year will increase on average to 15 to 15.5%. A Volkskas economic survey shows a Consumer Price Index increase of 1,000.5% since 1915—or an average of 3.7% a year since 1915. Anyone, who put aside R1 in 1915 would find today its purchasing power had diminished to a mere 9cents. The Consumer Price Index rose by 130.3% between 1975 and May this year. The price of food products rose at a higher than average rate of 146.8%. Of basic foodstuffs, sugar recorded the highest price increase—218.6%—followed by meat 162.4% and coffee and tea 153.1%. In the 12 months up to May this year there were sharp increases in prices of public transport services—33.2% communications services—26.9% cigarettes, cigars and tobacco —27.1% and educational services 23%. Housing costs increased sharply, mainly because of the rise in the cost of mortgage bonds. The bond rate in turn led to an increase in house and flat rental costs. During the past 18 months the rand has declined in value by about 18% on average. In relation to the United States dollar its value sunk by 31.4%

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NAMIBIA

Western negotiators face a common question from the frontline states. Swapo and others are sceptical about the likelihood that Pretoria will relinquish control of South West Africa: why?

Why will Pretoria give up a territory rich in minerals, which acts as a buffer between the Republic and hostile states, and risk placing Swapo's president Sam Nujoma in Windhoek? It is argued that the political costs to Pretoria would be large, and the benefit uncertain. The Rightwing backlash against the SA Government might be considerable. In reply, Western diplomats have been listing five points lately:

- ★ The cost to South Africa of the war.
- ★ Deepening economic recession in South Africa
- ★ The Prime Minister, Mr P W Botha, feels secure enough within the National Party to go ahead.
- ★ The escalation of African National Congress activity inside South Africa.
- ★ The ending of American pressure on South Africa to settle.

What these points boil down to is South African anxiety to divert its resources from a R1 000 000 000-a-year war in a neighbouring state to more urgent needs at home. The Western contact group — the United States, Britain, France, West Germany and Canada — have accelerated the pace of the negotiations, setting the end of next month as the target for the beginning of implementation of the settlement. That would lead to elections for a constituent assembly in March or April next year. This is within the timetable the American negotiators had in mind from the start.

It should thus be clear within eight or ten weeks from now whether the settlement is to go ahead. Success of failure will be apparent. This is where timing seems to be vital. South Africa is operating on the basis that America will get Angolan agreement to withdraw Cuban troops 'parallel' with a South African troop withdrawal from Namibia. If handled cleverly, Mr Botha will be able to obtain maximum advantage from the timing of the independence moves in concert with other events which he can influence there and at home. Among other effects would be to limit the Rightwing backlash against a possible Swapo victory. Removing Cuban troops from Angola and acting with kragdadigheid on other security questions would win him high marks among conservative supporters. Would they be high enough to create a loyalty that could withstand a Swapo election victory? How much kith-and-kin feeling is there between South African Government supporters and white South West Africans?

Since there are under 100 000, many of whom carry German citizenship or are South African civil servants who could be absorbed in the Republic, it may be less than in Zimbabwe. Arguing for a settlement is the fact that the South West Africa/South Africa border is much easier and cheaper to police than in the north.

American officials say that the benefits of a solution would be to entrench past the life of the Reagan Administration its 'constructive engagement' policy. By showing it works, other Western governments, and future American ones, would be encouraged to believe that co-operation with South South Africa produces better results than threats.